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## SOCIAL POLICY RESEARCH ASSOCIATES

### **Evaluation Study of the Centralized Eligibility List (CEL) Pilot Project**

### **Final Report (Revised)**

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## I. INTRODUCTION

SPR is pleased to present the Final Report for the Evaluation of the Centralized Eligibility List (CEL) Pilot Project. Using CEL pilot counties' individual implementation experiences as a foundation, this report is designed to draw out broader, cross-county lessons related to CEL participation, best practices in implementation, preliminary CEL effects, as well as CEL costs and implications for the future.

### BACKGROUND AND STATUS OF CEL PILOT PROJECT

Gaining access to affordable child care has traditionally proven to be a difficult task for a large number of working parents. To ensure consideration for spaces that might open up at a variety of possible child care providers, a parent usually must sign up on multiple waiting lists and keep her/his application information current on each list. The same individuals are listed at multiple sites as waiting for subsidized child care slots, resulting in a substantial duplication rate of names.

As a result of duplicate waiting list entries, child care funders and providers—dealing with long waiting lists for each individual program—have had no way to assess the extent of the actual need for subsidized child care or the extent to which that need has been met over time. The fact that many income-eligible families spend months on waiting lists before being offered access to subsidized child care suggests that the current level of public subsidies is insufficient. However, without a centralized list, it is difficult to gauge the extent of the mismatch between the supply and the demand for services.

A CEL is a system that combines all individual lists, eliminates duplicates, and allows participating providers to access children eligible for their programs. The implementation of CELs for subsidized child care offers the opportunity to realize six primary benefits across multiple stakeholders:

- **Increased efficiency and ease of applying for child care subsidies** by parents who can become eligible for all available slots by placing their name on a single eligibility list.
- **Increased parent choice among child care settings and providers** as a result of the ability to match priority households to a wider variety of available providers that meet specified parent preferences (e.g., geographic location, provider type).
- **Increased equity in allocating limited child care resources to needy households** since a centralized system can provide a single ranking of

priorities across target groups, such as children of families with very low incomes and children with special needs.

- **Increased efficiency and ease of filling open child care slots** by providers who can reduce the administrative burden associated with intake, verification, and enrollment processes.
- **Improved information about county-level supply and demand for child care**, particularly for different types of care such as infant/toddler care and after-school care.
- **Improved information about the extent to which the state is succeeding in meeting the need for subsidized child care** for different subgroups of low-income working parents.

State child care planners look forward to the potential for using CELs as a powerful tool to provide consistent and accurate information about the numbers and types of households seeking subsidized care in local communities. With this information, child care planners at the local level will be better equipped to identify and address the most important gaps between the supply and demand of local child care, with particular regard to different domains of care (infant/toddler, pre-school, and school-age/after-school) and specialized types of care (e.g., part-time and evening care, care for special needs children). Child care planners at the state level hope to inform decision makers about the extent to which the state is succeeding in meeting the need for subsidized child care among low-income working parents.

Because CEL implementation offers potential benefits to so many different groups—parents seeking care, providers interested in efficient ways to fill available slots, and child care planners interested in accurately assessing the supply and demand for subsidized child care—and due to state law mandating that local child care development and planning councils (LPCs) begin planning for CELs for eligible families seeking subsidized child care from the California Department of Education, many counties have been planning and/or implementing CEL systems for a number of years.

In December 1998, eight San Francisco Bay Area counties met to share their experiences and learn from their peers about best practices in CEL planning and implementation under the sponsorship of the Quality Child Care Initiative (QCCI), a consortium of Bay Area funders interested in early childhood issues. Based on the strong interest expressed by these counties in developing and promoting promising models for CEL design and implementation, QCCI and the David and Lucile Packard Foundation approached the state Departments of Education and Social Services about the possibility of supporting a statewide CEL planning process. As part of the resulting CEL planning

process, this public-private partnership: (1) formed a statewide CEL Task Force, (2) convened regional meetings of county CEL planners and developed a CEL web site to promote information sharing and peer learning, and (3) helped address technical assistance needs of local CEL planning efforts.

The statewide CEL planning project was designed to balance the need for local flexibility and control with the strong interest in building county systems that are comparable enough to yield valid statewide data about the demand for subsidized child care. To address the concern for consistency in the data collected at the county level, the statewide CEL planning project developed a list of standardized data elements for inclusion in all county CELs. The statewide CEL planning project also began to address issues around developing a standardized database structure for county CEL lists and to identify consistent procedures for data cleaning and maintenance.

In October 2000, the Child Development Division (CDD) of the California Department of Education announced the availability of \$1.5 million in one-time state funding to support a CEL Pilot Project and invited LPCs to apply for pilot funds to either start up or improve a local CEL. On December 15, 2000, the CDD posted a list of ten proposed recipients of the CEL Pilot Project awards.<sup>1</sup> These ten counties were selected based on (1) the comprehensiveness of their CEL plans, (2) the adequacy and appropriateness of their project budgets, (3) the inclusiveness of the subsidized providers participating in the proposed CEL system, (4) the willingness of these counties to meet the data collection requirements posed by the standardized data elements and to participate in the planned evaluation, and (5) the overall diversity of the pilot sites in terms of geographic region, population density, and type of technology to support their planned CEL systems.

As originally planned, the participating counties were to implement and operate CELs under the pilot project for a period of 18 months, from January 1, 2001 to June 30, 2002. SPR's evaluation period was originally designated as February 2001 to October 2002. However, given substantial contract delays between the state, pilot counties, and SPR, project timelines were extended anywhere from three months to one year. SPR received a no-cost extension for its evaluation from October 2002 to April 2003. The

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<sup>1</sup> One pilot county—Lassen—withdrawed from the CEL Pilot Project in June 2001.

Final Report comes just over two years after SPR began its evaluation of the CEL Pilot Project.

As of the writing of this report, all pilot county contracts but two had ended; all pilot counties but one had had an operational CEL for one year or less; and three pilot counties had had an operational CEL for two months or less. Given the limited amount of time that pilot counties have had operational CELs in place, most county contacts felt that it was too early to describe the impact of CEL implementation on families, providers, or local planning agencies. Furthermore, most pilot counties have been forced to move CEL implementation and sustainability issues to the backburner in recent months due to highly uncertain times for the state's economy, state budget, and subsidized child care field. A prolonged recession and multi-billion dollar budget shortfall for the state contributed to Governor Davis' FY 2003-2004 Budget proposal to realign or shift responsibility for subsidized child care programs from state to county governments. While the Governor's Child Care Realignment Proposal was rejected by the Senate Budget and Fiscal Review Subcommittee in March 2003, child care agencies statewide will likely be facing substantial budget reductions in an effort to promote state General Fund savings.

#### **OBJECTIVES OF THE FINAL REPORT**

From SPR's initial meeting with the CEL Advisory Group in early 2001, the evaluation study was conceived largely as a process study. Due to this initial orientation and pilot counties' considerable contract delays, our Interim Report (March 2002) was largely geared toward process issues such as:

- Key variations in pilot counties' CEL design;
- CEL roles and responsibilities;
- CEL budgets;
- CEL technology and access issues.

In the Interim Report we also spent considerable time discussing pilot counties' implementation challenges and lessons learned on such topics as:

- Technical customization of CELs;
- Provider outreach and training;
- Interagency agreements;
- Data migration and management.

While our focus in the Interim Report was on process issues, we also drew on administrative and survey data to provide preliminary findings on the characteristics and experiences of CEL families as well as differences in families' experiences between counties of different types (i.e., non-CEL and CEL counties).

The Final Report is meant to be a companion report to the Interim Report in that we do not concentrate on the same set of issues here. Our desire here is to focus on broader-level CEL issues, namely those of participation, preliminary effects, costs, and implications for the future. We aim to explore the following questions:

- Who is and is not participating in CELs and why?
- What are the best practices of CEL implementation that can be shared with other counties?
- What are the characteristics and experiences of CEL families and participating providers?
- What are the preliminary effects of CEL models on families, providers, and local planning agencies?
- What have been the CEL costs over the pilot period and what are pilot counties' plans and prospects for CEL sustainability?
- Given pilot counties' implementation experiences thus far, what are the implications for CEL sustainability and expansion in the state of California?

While the questions above represent our guiding framework for this report, we emphasize that nearly all counties are still in early stages of CEL implementation, making a fair assessment of CEL benefits and effects premature. For this report we have chosen to present CEL summaries for the relatively more advanced pilot counties; these summaries serve as the primary foundation from which we glean broader-level lessons geared toward the future of CEL implementation in the state.

## **DATA SOURCES AND METHODOLOGY**

To meet the report objectives described above, we employed both qualitative and quantitative data sources that are detailed below.

- **Regular phone contact and quarterly county reports.** SPR conducted telephone interviews with lead county contacts throughout the pilot period. Interview questions were designed not only to secure a snapshot of each county's progress, but also to collect information on discrete topic areas such as provider recruitment strategies. The telephone interviews served as the primary source for SPR's quarterly county and state reports.



- **Quarterly county and state reports.** From the interviews with individual pilot counties, SPR produced quarterly county reports and conducted cross-county analyses in order to produce quarterly state reports. The state reports summarized the progress of the counties as a group and detailed key challenges and lessons learned in areas such as: provider training, interagency agreements, family outreach, and data migration.
- **CEL Status Report (November 2001).** This report reviewed the progress of SPR's evaluation to date, as well as reported the preliminary results of the first round of the family survey, which was administered in summer 2001.
- **Site visits.** SPR conducted site visits to all but two pilot counties (Los Angeles and San Francisco). These two pilot counties were excluded because they had not yet implemented a CEL by the last month of scheduled site visits. In lieu of site visits, intensive last round phone interviews were conducted with these pilot counties. Site visits to the other seven pilot counties occurred in 2001 and 2002 and were followed by comprehensive site visit write-ups.
- **CEL teleconferences.** SPR hosted three teleconferences with CEL pilot counties. The teleconferences served as an opportunity for counties to share challenges and best practices in key areas. For example, during the December 2001 teleconference, counties discussed how they were managing family preferences in their CEL systems.
- **Regional meetings.** Early in the evaluation, SPR attended five regional meetings where pilot counties shared information about their CEL plans, progress, and concerns.
- **State-level interviews.** SPR conducted interviews with state-level stakeholders to secure their perspective on the expected benefits and challenges of CEL implementation.
- **Family survey data, two rounds.** SPR administered two rounds of a family survey in summer 2001 and fall 2002 to all pilot counties.
- **Provider survey.** SPR administered a survey in fall 2002 to providers participating in their pilot counties' CELs.
- **MIS data.** SPR conducted analyses of the quarterly CEL data submissions from pilot counties. Our analysis was not only of the data itself, but also on issues of data quality and consistency across counties.
- **Document analysis.** SPR created several internal matrices based on a review of key documents, such as the proposals submitted by pilot counties, child care research reports, and U.S. Census data.

## **OVERVIEW OF REPORT**

The remainder of this report will be divided into four main chapters. In Chapter II we lay the foundation for broad-level, cross-county analysis by presenting summaries of six pilot counties that are relatively more advanced in CEL implementation, as well as updates on the counties that are not. We also discuss cross-county implementation patterns. In Chapter III we discuss the level and nature of CEL participation across pilot counties, motivations for CEL participation, effective strategies for securing provider participation, and reasons why some providers chose *not* to participate in CELs. Chapter III also discusses best practices for different aspects of CEL implementation such as interagency partnerships and data migration. Chapter IV draws on administrative and survey data to discuss the characteristics of CEL children and families and explore the extent to which CELs have had preliminary effects on families and providers. CEL costs and implications for the future are the foci of Chapter V. In this final chapter, we examine counties' budgets and costs during the pilot period as well as their plans for maintaining their CELs. We also discuss prospects for CEL sustainability and expansion statewide, specifically looking at what factors will ensure that CELs meet their originally envisioned potential.

## II. CEL SUMMARIES & IMPLEMENTATION PATTERNS

In this chapter we lay a critical foundation for broad-level, cross-county analyses by presenting summaries of six pilot counties that are relatively more advanced in terms of CEL implementation. For our summaries we chose the following pilot counties: Fresno, Glenn, Kern, San Mateo, Ventura, and Butte. In addition to being more advanced, these counties represent a diverse mix in terms of population density, demographic characteristics, and CEL models. For each summary we cover the following components: local context; CEL model: description and assessment; participation level and terms; preliminary CEL effects; CEL costs and sustainability; and a summary of challenges, best practices, and recommendations. For those counties that were *not* chosen for summaries (Los Angeles, San Francisco, and Solano), we provide updates before discussing cross-county patterns at the end of this chapter.

### CEL SUMMARY #1: FRESNO COUNTY

#### Local Context

Fresno is a medium-density county in California's Central Valley. The local economy centers on agriculture and the median household income is close to \$32,000. The county's population is approximately 800,000 with Latinos representing the largest ethnic group at approximately 44% and children under age 14 representing approximately 25%. Licensed child care slots represent approximately 25% of child care need in Fresno County.<sup>1</sup> Key child care agencies and CEL stakeholders in the county include: (Central Valley) Children's Services Network (CSN, the R&R/APP); Supportive Services, Inc. (APP); and California State University at Fresno's Interdisciplinary Spatial Information Systems (ISIS) Center (the designer and host of the CEL).

#### CEL Model: Description and Assessment

Fresno's CEL is a customized, Internet-based model, accessible by participating providers but not by families. Families interested in applying for subsidized child care must fill out a hard copy application, secured either from an individual provider or from the R&R and APPs. A hard copy application is required in order to keep the parent's signature on file. Using a password, participating providers can then enter the hard copy

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<sup>1</sup> This statistic is drawn from *The California Child Care Portfolio* 2001.

application data into the CEL. If providers do not have computer access, they can forward the hard copy application forms to CSN for data entry.

Participating providers with vacancies may log onto the CEL using a password and search for eligible families by specific program criteria. The CEL will produce a list of eligible families specific to the selected program-type. The list includes such information as the child's name, age, CPS status, number of siblings, and priority ranking. Participating providers may select a maximum of three families, at which time their status on the CEL will switch from "active" to "waiting," and their names will also be moved to a "pending" list. Families can remain on the "pending" list for potential placement for up to two working days. If they are not enrolled by this time, their status is automatically reverted to "active." In addition to "active," "pending," and "placed" status markers, families may also be designated as "partially placed" when they are enrolled in a program, but not in one that fully meets their needs or preferences. Details on a "partially placed" family's unmet need can be accessed by the provider who has selected them from the CEL. Information on families' preferences may also be reviewed, such as type and location of care.

For families at priority ranks one, two and three, income eligibility is verified at time of application in order to immediately identify families who misreport income data in hopes of faster child care placement. For those families at priority ranks four and above, their word is taken at application time, with eligibility verification occurring at the time of enrollment.

Thus far, Fresno County has been very satisfied with their CEL model and their decision to have the CEL custom-made by a local partner (ISIS). Their proximity to and relationship with ISIS have allowed for easy, ongoing modifications to the CEL. Fresno County also feels that ISIS provided a number of unique report features—the GIS mapping feature in particular. The GIS feature allows Fresno County to "see graphically where the providers are and where the families are when placing them. It [also] helps us in planning especially for the LPC which has to do priority lists and needs assessments." Although GIS mapping is a "nice-to-have" feature, Fresno County feels that the more essential CEL features are much more basic—i.e., the ability to display how many children are waiting at any given time and to show which participating providers entered what data.

### **CEL Participation Level and Terms**

Fresno County's CEL has been fully operational for less than one year. As of early 2003, two agencies (CSN and Supportive Services, Inc.) were using the CEL and gradually "weaning off" their own individual lists. While the county wanted to limit agency participation until any potential system bugs were resolved, they are now ready to bring onboard all remaining providers but cannot due to current lack of funds. Besides CSN and Supportive Services, Inc., there are 36 subsidized contractors that may be brought on board—four of which have already signed a CEL Memorandum of Understanding (MOU) with the LPC.

The MOU stipulates that each participating agency agrees to share and forward their list data. While county contacts expect that participating providers will gradually "wean off" their own lists completely, the MOU does not require providers to give up their lists to participate in the CEL. Maintaining this flexibility was seen as critical, particularly during the CEL's earliest stages when it was not fully operational, and even now given that the "funding and sustainability of CEL is at-risk." The county remains unconcerned about providers maintaining individual lists in addition to using the CEL as long as they are also forwarding their data to the CEL. County contacts are also unconcerned about participating agencies bypassing the CEL altogether; that is, county contacts are confident that providers will not enroll "walk-in" families without first entering them into the CEL.

### **Preliminary CEL Effects**

Thus far, the benefits of the CEL in Fresno County have been related to the reduction of the duplication rate among applicant families and improved inter-agency relationships. Before data was entered into the new CEL, Fresno County had about 10,000 families from all subsidized contractors in the county. Each of these 10,000 families received a letter and a new application form in order to update their information. Only the updated applications received back were entered into the CEL. The list was reduced to approximately 5,000 names by virtue of eliminating duplication as well as not receiving responses from some families.

Implementing the CEL has also allowed CSN and Supportive Services, Inc. to strengthen their inter-agency relationship—e.g., by learning more about the other's organization and multiple contracts, and by synchronizing key processes such as calculating income and determining priority rank. Other expected benefits and effects of the CEL—such as making multiple applications unnecessary for families and serving as

the primary or exclusive recruitment tool for providers—have yet to be realized, particularly given the fact that only two agencies are currently using the CEL and not on an exclusive basis.

### **CEL Costs and Sustainability**

Fresno County's pilot project contract ended on February 28, 2003. The cost of the county's CEL during the pilot period was \$254,179 (with \$203,547 secured from the state and \$50,632 from Human Services).

**Exhibit II-1: Fresno Budget and Selected Costs<sup>2</sup>**

<b><u>Fresno Budget</u></b>	
State	\$203,547
Local income/contributions	\$50,632
Total	\$254,179
<b><u>Fresno Costs (select)</u></b>	
Vendor product and services	\$113,467
Hardware and software <sup>3</sup>	\$6,431
Staffing <sup>4</sup>	\$76,655

Fresno County's contract with ISIS was \$113,467 or 45% of the total budget. The contract covered the design of the CEL system, CEL hosting, analysis and coding, a testing phase, technical staff, on- and off-site technical assistance, and a consultant to monitor and assist with the CEL implementation process. Fresno County's hardware and software costs totaled \$6,431 or 2% of the total budget and included one laptop, a scanner, two PC cards, two printers, and two Microsoft Publisher licenses. Staffing costs

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<sup>2</sup> A discussion of budgets and costs across pilot counties can be found in Chapter V.

<sup>3</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>4</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors (e.g., Controltec).

totaled \$76,655, with salaries and benefits comprising \$25,120 of this amount and non-CEL vendor service contract staff making up the remainder.

A one-year CEL maintenance contract with ISIS (to begin March 1, 2003) will cost \$3,628.80, and will include hosting fees, a maintenance retainer not to exceed four hours per month, restoration of client data, minor editing of errors, minor improvement, phone-in assistance, and periodic security backup. The cost of this one-year contract will be covered by funds that were originally slated for five computers in the pilot project budget. Fresno County estimates that the ongoing maintenance cost for the CEL will be \$25,000 per month or \$300,000 per year. This amount would include not just the time of ISIS staff, but also the time of staff at CSN, Supportive Services, Inc. and the LPC. This amount also includes many of the costs—such as transportation, postage, and supplies—that were left out of the pilot project budget and therefore provided in-kind.

In order to cover the projected \$300,000 yearly cost for maintaining the CEL, Fresno County has submitted a proposal for the full amount to the local Prop 10 commission. The proposal is on the commission's March 2003 agenda. Without funding from Prop 10, Fresno County's CEL will be "dead in the water" since the county has not identified any other potential funding sources. The county feels it highly unlikely that user fees for the CEL will be considered, especially since child care agencies will likely be facing significant cuts as a result of the Governor's 2003-2004 budget. Without Prop 10 funding secured, the one-year maintenance contract with ISIS would still be in place, but funding would have to be identified for staff at CSN to work on the CEL. (The key staff member at Supportive Services, Inc. working on the CEL would be secure as she was dedicated to waiting list duties prior to the CEL pilot project.)

Fresno County feels strongly that significantly more funding was needed to meet the true cost of the CEL pilot project. Two key staff members at CSN and Supportive Services, Inc. donated considerable night and weekend hours to the CEL pilot project while simultaneously meeting the demands of their full-time positions and responsibilities.

### **Summary of Challenges, Best Practices, and Recommendations**

Overall, Fresno County feels satisfied with their CEL model and experience. As one county contact noted, "We're glad we did it, it was a really good product with a lot of advantages. It brought everyone together." County contacts also noted that the pilot project proved, quite simply, that a CEL "could be done" despite considerable doubt in the county. The experience of Fresno County highlights the advantages of working with

a local partner in designing and maintaining a CEL. Fresno County was one of the few pilot counties that did not describe challenges with their CEL's features or customization. The county's largest cited challenges were having sufficient time on the part of lead agencies to implement the CEL, and facilitating a meaningful dialogue between child care stakeholders and technical experts.

The county recommends that child care and technical stakeholders hold mutual trainings *before* embarking on CEL planning so that both sides can be clear in communicating their needs and vision for the CEL. As one county contact noted, "Looking back, I think we would have done more trainings on both sides, before we even got started, to give technical people a better understanding of child care and various programs, and for them to educate us on what a system can do and what it would entail. This would smooth out any rough areas in the beginning. It is also important to document absolutely *everything*."

## **CEL SUMMARY #2: GLENN COUNTY**

### **Local Context**

Glenn is a low-density county in North-Central California, located approximately 100 miles north of Sacramento. Glenn County is primarily an agricultural community and the median household income is close to \$29,000. The county's population is approximately 26,000 with whites in the majority at 63% and children under age 14 representing approximately 23%. Licensed child care slots represent approximately 32% of child care need in Glenn County.<sup>5</sup> Key child care agencies and CEL stakeholders in the county include: the Department of Child and Family Services (DCFS, the R&R/APP); the Glenn County Office of Education (GCOE); and Controltec (the vendor and CEL host).

### **CEL Model: Description and Assessment**

Glenn's CEL is a pre-packaged, Internet-based model: Controltec's KinderWait system. Access to the CEL is limited to specific DCFS and GCOE staff members. Parents interested in applying for subsidized child care may do so by: filling out a hard copy application, calling R&R staff, or submitting an online application.<sup>6</sup> During the pilot

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<sup>5</sup> This statistic is drawn from *The California Child Care Portfolio* 2001.

<sup>6</sup> While families may apply via any Internet connection (e.g., at home), providers and a number of local partners (e.g., public libraries) have also been trained to assist parents with submitting their information over the Internet.



period, the CEL Project Coordinator (housed at DCFS) was solely responsible for entering data from hard copy applications into the CEL, and for entering application data into the CEL in “real time” if parents applied over the phone. While initially Glenn County had enabled access to the CEL system by all participating providers (e.g., to enter application data), limiting access to the Project Coordinator was viewed as a way to ensure proper accountability and equity. However, the Project Coordinator’s responsibilities have been decentralized after the position was dissolved in fall 2002 due to lack of funds. CEL data-entry responsibilities are now shared among various DCFS and GCOE staff.

When participating providers had a vacancy during the pilot period, they called the Project Coordinator to request referrals. The Project Coordinator would then query the CEL for families that met the requirements of the program. Five referral families were generated in order of state-mandated priority. The Project Coordinator would hand-deliver the list of five referral families to the provider. The referral families were placed on “waiting” status for two weeks, during which time they could not be referred to any other provider with an opening. Providers were responsible for contacting the referral families and for informing the Project Coordinator which families were actually enrolled. A successfully placed child’s status was changed from “waiting” to “enrolled,” while the other referral families were changed from “waiting” back to “active” status. Children on “waiting” status were *automatically* reverted to “active” status if they were not enrolled after two weeks. Families’ child care preferences were managed in two primary ways on the application form: by selecting the zip code(s) in which they are interested in receiving child care and by selecting preferred programs by name (e.g., Orland Head Start Extended Day). Finally, additional information about families’ preferences could be recorded in the notes section of the application.

Families’ eligibility is initially confirmed by phone when they are contacted by providers with potential openings. The more “formal” eligibility confirmation takes place when the contacted family visits the potential provider with the necessary documentation (e.g., pay stubs).

While many of the processes described above remain the same, now that the Project Coordinator has departed, three different DCFS and GCOE staff members are now responsible for drawing names off the CEL to fill vacancies. For instance, the Head Start Outreach/Enrollment Officer is responsible for drawing names off the CEL for potential

enrollment in general child care toddler programs, Head Start extended day centers, and Head Start part day centers.

Glenn County is satisfied with their decision to contract with Controltec for their CEL system. Relatively low cost was cited as a primary advantage of the KinderWait system. However, the county did experience some challenges with regard to automation and customization of their CEL. For instance, the CEL was not set up to automatically move a child from the special needs category of infant to preschooler based on calculated age. The KinderWait system also did not have automated procedures in place to discover “dirty” data—e.g., a child’s birth year entered as 1968. Customizing the CEL to reflect parental preferences was also a challenge. Parents’ ability to choose a preferred program was not incorporated into the CEL until fall 2002. As a result, parents who applied prior to this time did not have their preferences recorded in this way, but rather solely in the notes section. CEL staff could not run a fully inclusive query based on parental preferences. Finally, Glenn County was unable to run queries on CEL data specific to individual child care programs (e.g., how many families on the CEL are over the Head Start income guidelines?)

Glenn County feels that the ability to submit a CEL application over the Internet is an essential CEL feature, particularly for families living in relatively rural counties.

### **CEL Participation Level and Terms**

Glenn County’s CEL has been operational for approximately one year. As of early 2003, all three subsidized contractors were participating in the CEL though another planned participant-program, Migrant Head Start, was not participating due to confidentiality concerns. The county planned to implement the CEL in three stages in order to work through initial challenges and ease the transition for later stages of participants.

Programs that fall under GCOE (one of the three participants) are using the CEL exclusively and the county has implemented an MOU with the two participating agencies outside the GCOE umbrella, but it does not appear to be working the way it was intended. For instance, the MOU stipulates that participating agencies are to forward family applications to the CEL before enrolling them. However, at least one of the participants was maintaining their own list and enrolling families off the list before forwarding it to the CEL. In addition, two of the participating agencies were using the CEL only periodically and relying heavily on their own waiting lists and recruiting methods, such

as community “roundups,” where parents come to a one-day event to submit applications in person. While the county would like to see all participants use the CEL exclusively and in the agreed-upon fashion, it feels that it has no leverage to ensure that this happens, particularly since CEL participation is not a requirement.

### **Preliminary CEL Effects**

Thus far, perceived benefits of the CEL have been related to data purposes. CEL data have been used to help inform a strategic plan for the GCOE and the LPC, and an economic development report produced by California State University at Chico. The county feels that CEL data have also been helpful for illuminating where families live and work in relationship to where child care agencies are located, and indicating which programs are full and which are struggling to enroll children. The county feels that the CEL has informally confirmed the following: (1) the demand for after-school programs is not as high as once thought; (2) the need for infant care is extremely high; and (3) the county is over-saturated with child care options for three- to five-year old children.

Other expected benefits of the CEL—such as facilitating providers’ day-to-day operations—have yet to be documented. Thus far providers have articulated a number of challenges resulting from CEL implementation. First, CEL implementation delayed the *timing* of the enrollment process for some providers who ordinarily recruit and enroll children in the spring for the fall term; as a result, classrooms were not full during the first fall term under CEL implementation. Second, the different income eligibility guidelines posed by Head Start have posed a challenge in querying for eligible families on the CEL, resulting in some eligible families not being properly referred. Third, because the CEL did not have the capability of querying off families who were not interested in certain programs, some providers kept receiving the same (uninterested) referral families.

While the county feels that the CEL benefits families by allowing them to apply a single time and from any Internet connection whatsoever, given some providers’ unwillingness to forward their own list data, it is unclear to what extent families are still applying multiple times. Furthermore, to the extent that some providers use the CEL only occasionally to fill slots, families who apply only to the CEL may actually be negatively impacted by missing out on open slots that they might have secured had they applied multiple times (to individual providers).

### CEL Costs and Sustainability

Glenn County's pilot project contract ended in November 2002. The cost of Glenn County's CEL during the pilot period was \$115,031 (with \$83,411 secured from the state and \$31,620 from local grants and contributions).

**Exhibit II-2: Glenn Budget and Selected Costs**

<b><u>Glenn Budget</u></b>	
State	\$83,411
Local income/contributions	\$31,620
Total	\$115,031
<b><u>Glenn Costs (select)</u></b>	
Vendor product and services	\$12,700
Hardware and software <sup>7</sup>	\$10,660
Staffing <sup>8</sup>	\$62,992

Glenn County expended approximately \$12,700 or 11% of the total budget on Controltec-related expenses. These expenses covered custom website design, a KinderWait service charge, and Controltec technical assistance. Glenn County's hardware costs (including new and upgraded equipment) totaled \$10,660 or 9% of the total budget and included a new computer, monitor, and printer, as well as Internet connections for four key sites in the county. Staffing costs totaled \$62,992 for salaries and benefits for a program coordinator and clerical support staff.

Glenn County continues to pay a monthly fee to Controltec to maintain the CEL after the pilot period. The monthly fee is 50 cents per active child on the CEL. As of early 2003, there were approximately 650 active children on the CEL, resulting in a monthly cost of approximately \$325. The monthly fee includes hosting of the CEL on an external server and CEL troubleshooting. While the LPC continues to cover almost half of the

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<sup>7</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>8</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors (e.g., Controltec).

Controltec fee, the sustainability of this arrangement will depend on the impending state budget and expected cuts to child care agencies. Glenn County could not provide a total monthly estimate for sustaining the CEL after the pilot period. By adding up the county's expenses in salaries and benefits, materials and supplies, and (select) services and operating expenses, then multiplying this amount by the indirect rate, then dividing the total by 18 (the number of months in pilot period), we get a monthly cost of \$4,975, which when added to the monthly Controltec fee of \$325, totals \$5,300 per month. However, this figure includes the salary for the former program coordinator, so it is likely a high estimate.

The county has not identified alternate funding sources to sustain its CEL, particularly given that many local funding opportunities have "dried up." CalWORKs Stage One funds were being used for a time to sustain the CEL beyond the pilot project, but are no longer available. The county may consider applying for Prop 10 funds to sustain the CEL, but feels that any application to the Prop 10 Commission should be based on the county's most pressing needs, which may not include the CEL given impending cuts to direct child care services. The county decided early on not to implement a user fee (particularly since a number of providers were hesitant to participate in the CEL to begin with), but has not completely ruled out this possibility.

Despite a lack of alternative funding, Glenn County feels relatively well-positioned to sustain the CEL, particularly since the county has already distributed the former program coordinator's duties into pre-existing staff members' job functions. The staff member providing clerical support to the former program coordinator will continue as a full-time employee, but the duration of this position is dependent on the state budget situation, as she is currently being paid in full from the R&R's budget. Depending on state budget outcomes, the county may consider switching from KinderWait to a new web-based product altogether in order to avoid paying a monthly fee.

### **Summary of Challenges, Best Practices, and Recommendations**

Overall, Glenn County feels satisfied with their CEL experience, still believes strongly in the potential and advantages of their CEL, and remains committed to sustaining it. The experience of Glenn County highlights the importance of developing local support from the onset. The county noted that their pilot project budget was adequate only because they were able to rely heavily on community funds and in-kind support. The county feels this local support served as a buffer for when state pilot project funding ended in November 2002. Moreover, as described earlier, the county has

integrated the duties of a pilot project position into permanent staff, though the sustainability of this arrangement in the long-term is unclear. The county's largest cited challenges were related to having sufficient time available for CEL implementation.

### **CEL SUMMARY #3: KERN COUNTY**

#### **Local Context**

Kern is a low-density county located at the southern end of California's Central Valley. The local economy is centered on agriculture and the median household income is close to \$32,000. The county's population is approximately 660,000 with whites representing the largest racial group at approximately 50% and children under age 14 representing approximately 25%. Licensed child care slots represent approximately 20% of child care need in Kern County.<sup>9</sup> Key child care agencies and CEL stakeholders in the county include: Community Connection for Child Care (CCCC, the R&R/APP); Kern County Superintendent of Schools (KCSOS, the designer and host of the CEL); and Centralized Child Care Information Services (CCCIS, a program under KCSOS).

#### **CEL Model: Description and Assessment**

Kern's CEL is a customized, local network model, accessible neither to participating providers nor to families. Families interested in applying for subsidized child care may contact CCCIS. A CCCIS clerk can enter a family's information directly into the CEL while s/he is on the phone with the parent. Alternatively, the CCCIS clerk can enter data into the CEL from a hard copy application mailed in by a parent or participating provider.

When a participating provider has an opening, a CCCIS clerk will query the CEL for families that meet the provider's criteria. The CEL then generates a list of eligible families in the order of the state-required priority rankings. Depending on the provider's preference, referrals may occur in one of two ways. CCCIS may contact the parent about the opening and instruct the parent to call the provider. Alternatively, the provider with the opening can receive a list of five eligible families to contact. Families that are selected from the querying process are assigned the status code of "waiting." The provider with the opening must update CCCIS on the status of the five referrals within ten working days. If such time has passed and the provider has not confirmed that a family was enrolled, the CEL automatically returns the family to an "active" status.

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<sup>9</sup> This statistic is drawn from *The California Child Care Portfolio* 2001.

Families may be designated as “enrolled/waiting” when they are enrolled in a program, but not in one that meets their full needs or preferences, which are recorded by program type on the application.

CCCIS created a parent information fax sheet that includes important but unverified pre-enrollment information on a family and child in need of care. CCCIS faxes these information sheets to providers who wish to contact referred families directly. Once a provider and family are in contact, it is the responsibility of the provider to verify eligibility with necessary documentation such as pay stubs.

During the pilot period, Kern County was very satisfied with their CEL model and their decision to have the CEL custom-made by a local partner (an MIS Specialist at KCSOS); this allowed for easy, ongoing modifications to the CEL and has been one of the articulated key strengths of the county’s CEL model. While the county initially considered contracting with an external vendor to design the CEL, they felt that an in-house system offered many more features and customizing abilities. During the pilot period, while other pilot counties struggled with vendor software issues, Kern—like Fresno—reported no such difficulties.

Along with in-house design, Kern County also cited customer service as a key strength of their CEL model. When parents in need of care contacted CCCIS, they were provided information on how subsidies work, what child care programs were available in the county, and were often linked to other social services such as housing and health care. Though beneficial to families, intensive customer service was cited along with GIS mapping capabilities as “nice-to-have” CEL features, while a full-time project coordinator was cited as an essential one.

### **CEL Participation Level and Terms**

Kern County’s upgraded CEL has been fully operational for over a year. As of early 2003, six of the county’s 19 subsidized contractors were participating in the CEL. A partnership agreement was established between the participating agencies and CCCIS. The partnership agreement stipulated that participating providers would turn over their pre-existing lists to CCCIS and would forward all new applications to CCCIS. However, some of the participating providers failed to turn over their lists and many only utilized the CEL when their own lists did not suffice. CCCIS did not and/or could not monitor the extent to which participating providers maintained their own lists or bypassed the CEL

completely by enrolling walk-ins. Only two of the six participating contractors were using the CEL exclusively.

### **Preliminary CEL Effects**

Though not all participating providers were using the CEL exclusively or frequently, two reported that using the CEL relieved them of administrative burden. For instance, the director of one participating agency asserted that managing their own list required 70% of her time and 100% of another staff member's time—e.g., to answer phone calls from interested families and track down parents once an opening became available. With the CEL in place, staff simply would call CCCIS for referral families, with much of the pre-verification work already completed by CCCIS staff. Two participating providers indicated that using the CEL allowed them to concentrate on program-related issues rather than administrative ones.

With regard to local planning, Kern County's CEL data has informed a number of documents such as community assessments. For instance, Local Investment in Child Care (LINCC) used CEL data to inform a January 2002 economic impact report for Kern County and to conduct GIS mapping of child care needs. Community Action Partnership of Kern County used CEL data in their annual community needs assessment report in 2001. Bakersfield College and Central California Economic Development Corporation have also requested CEL data to inform their grant applications to CDE. Finally, the LPC has used CEL data twice a year when CDE requested geographic priorities for funding in Kern County. However, because not all subsidized contractors in the county were participating in the CEL, the county expressed disappointment that CEL data could not better represent families in need of subsidized child care.

Similar to other pilot counties, Kern feels that the CEL improved families' experiences in applying for child care by making it necessary to apply only one time. However, to the extent that participating providers relied on their own lists, families who applied *solely* through CCCIS might have been negatively impacted in their chances for securing child care. Kern County also feels that their CEL model benefited families by providing them with more intensive customer service (e.g., with referrals to other social services).

### **CEL Costs and Sustainability**

Kern County's pilot project contract ended on February 28, 2003. The cost of Kern County's CEL during the pilot period was \$459,746 (with \$252,936 secured from the



state; \$191,810 from local Prop 10 funds during the pilot period; and \$15,000 donated in-kind from KCSOS for the design and implementation of the customized CEL system).

**Exhibit II-3: Kern Budget and Selected Costs**

<b><u>Kern Budget</u></b>	
State	\$252,936
Local income/contributions	\$206,810
Total	\$459,746
<b><u>Kern Costs (select)</u></b>	
Vendor product and services	\$15,000
Hardware and software <sup>10</sup>	\$3,399
Staffing <sup>11</sup>	\$194,280

Kern County relied on Prop 10 funding for their CEL primarily to: expand from one to three staff members; enhance outreach efforts to families; waive user fees for participants; and provide individualized technical assistance to participating contractors. This source of funding was originally scheduled to end by June 2001 and was therefore not included in the pilot project budget; however, Prop 10 funds were not cancelled until June 2002. The Prop 10 funding totaled \$372,203 over two years.<sup>12</sup> The third year of funding for \$200,899 (for 2002-2003) was not approved. According to a lead county contact, the Prop 10 funding cut represented approximately half of the Kern's CEL budget. R&R funds were being used to fill the funding gap until June 2003.

KCSOS estimates that the planning, development, and implementation of the CEL cost \$15,000 in terms of staff hours. Perhaps reflecting the county's more intensive

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<sup>10</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>11</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors (e.g., Controltec).

<sup>12</sup> Year one funding (2000-2001) was \$180,393; year two funding (2001-2002) was \$191,810. Details on how the Prop 10 funds were expended were unavailable.

customer-service approach, Kern's most significant pilot project costs were staff salaries and benefits, totaling \$194,280 or 42% of the total budget. These costs included a full-time program supervisor and two full-time program support facilitators to assist with data entry and the referral process, among other CEL tasks. Kern County's hardware and software costs totaled \$3,399 or 1% of the total budget and included three PC systems, three monitors and three Microsoft Office licenses.

Kern County did not provide an estimate for the monthly cost of maintaining the CEL after the pilot period. As the county's CEL funding was being depleted, participating providers were convened. While the county hoped that participating providers would help to financially sustain the CEL, the state of the economy in 2003 and impending budget cuts for child care programs meant that participating providers could not absorb the cost of the CEL. Because of participating providers' inability to fund the CEL on any level, the county did not detail the amount of money needed to sustain the CEL in its current form after the pilot period. By adding up the county's expenses in salaries and benefits, materials and supplies, and (select) services and operating expenses, then multiplying this amount by the indirect rate, then dividing the total by 18 (the number of months in pilot period), we get a monthly cost of \$13,282, which the county confirmed as a reasonably close estimate. However, Prop 10 funding during the pilot period translated to an additional \$15,984 per month, which would bring the true monthly estimate to \$29,266. Kern feels that its relatively high maintenance cost is due to the fact that its CEL was a more labor-intensive model requiring a program supervisor and more staff than most counties.

Kern County has no alternative funding sources to sustain its CEL in its pilot project form. As of March 2003, the CEL database was turned over to CCCC. CCCC will fund 1.5 staff members (through CalWORKs and APP budgets) to enter data into the CEL and provide assistance to agencies needing families to fill open slots. Before the CEL transitioned to this stage, CCCIS offered to run specialized queries for participating providers on all families that met their program criteria. Some participating providers did not take advantage of this service. The county feels that this may reflect the fact that many of the participating providers were likely maintaining their own lists throughout the CEL project and furthermore, were not even using the CEL occasionally over the last few months due to some difficulties locating program-appropriate children and knowledge that the CEL lacked sustaining funds.

Overall, while Kern County feels that the pilot project budget was adequate, they feel they were short-sighted in relying on Prop 10 funds and assuming that the state would continue to fund CELs. While the CEL cannot be sustained without state funds, the county points out that because they “own” their CEL in-house, if funding should become available, they would be able to resurrect their CEL in short time.

### **Summary of Challenges, Best Practices, and Recommendations**

Over the course of the CEL pilot project, Kern was consistently one of the most advanced counties in terms of implementation status and one of the most satisfied counties in terms of its CEL model. Similar to Fresno, Kern County’s experience highlights the advantages of working with a local partner in designing and maintaining the CEL. Kern County was one of very few pilot counties that did not describe challenges with the CEL’s operating features or with their ability to quickly customize the system. Also similar to Fresno, Kern County realized the importance of a true child care-technology partnership in the CEL design process. Specifically, the MIS Specialist who designed the CEL asserted that working with one child care liaison that was familiar with waiting list systems was a key component of a successful CEL model. With the child care liaison as a partner, the MIS Specialist could produce an effective CEL model as long as the child care liaison could articulate her vision and needs for the CEL.

Similar to Glenn County, Kern also illustrated a centralized approach to CEL access in that only key staff members were permitted to enter, update, and retrieve CEL information. In Kern’s case, this helped to ensure that families were provided more personal customer service and providers were not burdened with CEL administration. Finally, the experience of Kern County illustrates the risks of not securing ongoing local funds and support. The county now feels that it should have pursued additional funding opportunities *prior* to pursuing state pilot project funds. Without state funds, prospects for sustaining the county’s pilot project-version of the CEL are non-existent.

### **CEL SUMMARY #4: SAN MATEO COUNTY**

#### **Local Context**

San Mateo is a high-density county located in the San Francisco Bay Area. The local economy is service-oriented and the median household income is approximately \$57,000. The county’s population is approximately 707,000 with whites representing the largest racial group at approximately 50% and children under age 14 representing

approximately 18%. Licensed child care slots represent approximately 26% of child care need in San Mateo County.<sup>13</sup> Key child care agencies and CEL stakeholders in the county include: Child Care Coordinating Council (CCCC, an R&R/AP); Child Care Partnership Council (the LPC); and Controltec (the vendor and host of the CEL).

### **CEL Model: Description and Assessment**

San Mateo's CEL is a pre-packaged, Internet-based model: Controltec's KinderWait system. While the county planned to implement provider access to the CEL, this did not materialize during the pilot period. Families do not have access to the CEL. During the pilot period, CEL access was limited to five key staff members at CCCC. Families interested in applying for subsidized child care may do so through individual providers or by contacting CCCC. During the pilot period, parents who applied through participating providers were not placed on the CEL, as these providers were not forwarding their hard copy applications to the CEL. If parents applied by contacting CCCC, they were mailed a hard copy application form; once this form was returned, CCCC staff entered the data into the CEL.

During the pilot period, participating providers with openings only occasionally called or faxed CCCC for referrals. Those faxing CCCC would use a Report Order Form that specifies which program criteria the referred families must meet. CCCC staff would fax the referred families within one to two days. Families who are drawn off the CEL for referral are assigned the status of "pending." Other CEL status markers are: "active," "enrolled," "archived," "terminated," and "enrolled/waiting"—which is for families who are enrolled, but not in their first-choice provider. Because direct provider access to the CEL has not yet been implemented, there is currently no policy in place on how long a provider might have exclusive access to "pending" families before they are returned to "active" status. Also currently lacking is a feedback mechanism for referred families. That is, there is no formalized process for participating providers to indicate to CCCC which referral families were enrolled off the CEL. The county expected this particular flaw to be remedied once providers were given direct access to the CEL, since their access and "transactions" would be recorded by the system.

Families' self-reported application data is accepted into the CEL without verification, though CCCC staff may follow up and probe applicants about particular

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<sup>13</sup> This statistic is drawn from *The California Child Care Portfolio 2001*.

information, such as the nature of a child's special needs. Ultimately the burden of eligibility verification rests with the enrolling agency.

San Mateo County feels that their experience with the KinderWait model was mixed. While the county initially planned to go with NoHo CARE, they decided that it did not make sense to have the CEL and AP program on different platforms (the latter was on KinderTrak). Data migration was an additional concern in switching to KinderWait; specifically, data had to be migrated from the SMP system to KinderWait, and Controltec had bought out SMP. At the time the county selected KinderWait, they felt it represented the only user-friendly product on the market.

San Mateo County appears satisfied with the KinderWait system in terms of ease of use and the wealth of data it is capable of storing compared to the old system, which lacked the capacity to store such information as family preferences. The county's largest challenges with regard to the KinderWait model were limited querying and reporting capabilities. When providers make requests from the CEL, CCCC staff are often unable to print out a customized list with all the desired fields; for instance, staff often have to write the families' phone numbers on the list by hand because they can only print a limited version of what is seen on the screen. Also, during the pilot period CCCC only had one customized report option: number of children per rank, which is simply a table listing how many children on the CEL fall into each priority rank. Any other customized reports needed to be specially requested from Controltec as they were not customized into the CEL system. It was unclear to the county which of these customized report functions might be added free of charge.

### **CEL Participation Level and Terms**

While San Mateo's conversion to KinderWait is complete, it has not fully implemented its CEL model. As of early 2003, the county was using its new Internet-based system (capable of provider access) in the "old-fashioned" way, whereby providers must call in to a centralized location to make their request for eligible families. San Mateo has secured CEL participation from 13 of the 25 subsidized contractors though similar to other pilot counties, the word "participation" must be qualified. In the case of San Mateo County, participation is not formalized in that a MOU has yet to be implemented. In addition, participating providers do not *add* families to the CEL (from their applications and/or walk-ins) and only *occasionally* draw names from the CEL when their own lists do not suffice. San Mateo is explicit about communicating to participating providers that the CEL is an *additional* tool to enhance providers'

recruitment and enrollment, rather than conveying the expectation that the CEL would completely replace providers' individual waiting lists. The county feels that theirs is a more realistic approach, particularly given that many providers have a "neighborhood mission" and wish to serve the highest-need families in particular geographic areas.

### **Preliminary CEL Effects**

San Mateo County feels that the CEL has not yet had any discernible impact on providers, primarily because the upgraded CEL does not represent any major change for providers from the old version of the CEL. That is, providers still occasionally contact CCCC for referrals as they did prior to the pilot period, and do not have direct access to the CEL. A number of participating providers indicated that they had used the CEL only about one or two times throughout 2002, though they expected to use it more frequently once direct access was implemented. With regard to local planning, CEL data has been used to help inform a local child care needs assessment as well as a Children's Report Card, though it must be emphasized that the accuracy and value of the county's CEL data is questionable given that not all subsidized providers are participating, and those who are participating are not forwarding list data to the CEL. As is the case in other pilot counties, CEL benefits for San Mateo families are unclear; families who apply for care solely through the CEL may actually be at a disadvantage given the extent to which participating providers rely on their own individual lists.

### **CEL Costs and Sustainability**

San Mateo County's pilot project contract ended on December 30, 2002. The cost of the county's CEL during the pilot period was \$133,322 (with \$111,359 secured from the state and \$21,963 from local income/contributions).

**Exhibit II-4: San Mateo Budget and Selected Costs**

<b><u>San Mateo Budget</u></b>	
State	\$111,359
Local income/contributions	\$21,963
Total	\$133,322
<b><u>San Mateo Costs (select)</u></b>	
Vendor product and services	\$17,118
Hardware and software <sup>14</sup>	\$1,065
Staffing <sup>15</sup>	\$88,538

San Mateo County expended \$17,118 or 13% of the total budget on its service contract with Controltec. The contract included data migration, in-house training for CCCC staff, two provider training sessions, ongoing technical assistance, and some travel costs. San Mateo County's hardware and software costs totaled \$1,065 for a PC workstation. Staffing costs totaled \$88,538—of which \$34,329 was for salaries and benefits while the remainder was for (non-CEL vendor) service contracts.

San Mateo County estimates that it will cost \$9,000 per month to maintain the CEL after the pilot period. This figure includes a monthly fee to Controltec for maintaining the CEL at a rate of 50 cents per active child. For San Mateo, this rate translates to approximately \$1,000 per month as there are anywhere between 1,700-2,000 children on the list. The remainder of the \$9,000 estimate is primarily for CCCC staff time needed to maintain the CEL.

San Mateo County has no concrete plans or alternate funding sources for maintaining the CEL. Though the county has made a commitment to sustain the CEL and key CEL staff through at least June 2003, beyond this time is “anybody’s guess.” San Mateo feels that the state’s budget crisis and impending child care cuts have placed the county in “survival mode,”

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<sup>14</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>15</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors (e.g., Controltec).

where the CEL simply cannot be a top priority. The county feels that budget cuts also mean that implementing a user fee would be highly unlikely as a way to sustain the CEL. Despite the fact that San Mateo has no definitive strategy for sustaining the CEL, they are confident that the CEL will continue because of the county's strong and long-standing commitment to the CEL, and also because they now have an ongoing financial commitment to Controltec. However, the county did note that had they known in advance that they would be "on their own" in terms of financially sustaining the CEL, they may not have chosen an external vendor (with an ongoing maintenance fee).

### **Summary of Challenges, Best Practices, and Recommendations**

San Mateo's experience illustrates a limited version of CEL implementation and participation. This is the case for three key reasons: participating providers are not forwarding their applications to the CEL; they are relying almost exclusively on their own lists; and their extremely limited usage of the CEL is in "the old-fashioned way," whereby they simply call CCCC staff as they used to prior to the pilot period. All discernible changes are perceptible only by the limited CCCC staff members who have access to and interact with the CEL database. The county cited provider recruitment as the largest challenge of the pilot period.

Similar to other pilot counties with the KinderWait product, San Mateo experienced challenges in terms of querying, displaying, and printing query results, and customizing reports, but was hopeful that further improvements would be made to the system. The county feels that there was "an upside and a downside" to relying on an external vendor: "We like the Internet-based system, but [there] seems to be more flexibility in keeping it in-house, to make customizations . . ." The county also cited the disadvantage of being committed to ongoing maintenance fees.

Finally, San Mateo's experience again highlights the perils of relying on state funding for sustaining CELs. Although San Mateo is more optimistic than Kern about its ability to sustain the CEL on its own, prospects are uncertain, particularly with impending budget cuts. San Mateo feels that overall, the pilot project budget needed to be larger and distributed differently. Specifically, the county feels that they underestimated how much time the CEL would require and that furthermore, funding needed to be more targeted to those who were directly interacting with the CEL, rather than to lead oversight agencies. The county also feels that at least two full-time staff needed to be dedicated to the CEL for tasks ranging from provider outreach to data maintenance. Insufficient full-



time staff was cited as one of the county's largest challenges, with resulting effects on the county's ability to "shop the CEL around" to additional participating providers.

The county now sees itself as entering a CEL "hibernation period," but expressed hope for the future: "So many valuable projects have been at the mercy of funding cycles, but I don't think the state will shelve this forever."

## **CEL SUMMARY #5: VENTURA COUNTY**

### **Local Context**

Ventura is a medium-density county in Southern California, located northwest of Los Angeles County. Ventura County's economic base includes a number of major industries ranging from agriculture, to telecommunications, to military testing and development. The median household income is close to \$50,000. The county's population is approximately 753,000 with whites in the majority at 57% and children under age 14 representing approximately 22%. Licensed child care slots represent approximately 23% of child care need in Ventura County.<sup>16</sup> Key child care agencies and CEL stakeholders in the county include: Child Development Resources of Ventura County (CDR, the R&R/APP); Ventura County Superintendent of Schools Office; Ventura County Child Care Planning Council (the LPC), and Controltec (the CEL vendor and host).

### **CEL Model: Description and Assessment**

Ventura's CEL is a pre-packaged, Internet-based model: Controltec's KinderWait system. Providers may directly access the CEL to retrieve eligible families, but not to enter or update family data. Families do not have access to the CEL. Parents interested in applying for subsidized child care can apply by filling out a hard copy application available from participating agencies and CDR. These applications are entered into the CEL by a CDR data entry clerk.

When participating providers have a vacancy, they may utilize the CEL for referrals in one of three ways. Under the first approach, the provider may call CDR for referrals at which time the data clerk will generate a list of eligible children that meet the program's criteria. This list is either mailed or faxed to the requesting provider, with the number of children on the referral list varying. The referral families are *not* designated as "pending," and are therefore available for all other participating agencies to contact. It is

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<sup>16</sup> This statistic is drawn from *The California Child Care Portfolio* 2001.

up to the provider to contact the referral families and to communicate to CDR any enrollments made or changes in referral families' eligibility status. Under the second approach, participating agencies may directly access the CEL with a password and any Internet connection. They can then run a query for the specific type of opening they have (without a limit on the number of families retrieved) and contact the selected families. Under this approach, participating providers still must contact the CDR data clerk to change a family's status to "enrolled" or to make any changes to their eligibility status. Finally, the third approach is identical to the second except that participating providers may place the selected families in "pending" status so that other agencies cannot draw these same names off the CEL. According to the county's MOU, participating providers agree to hold families in "pending" status for no longer than ten business days, and may hold no more than 60 families at a time. Unlike other pilot counties, there is no automatic reverting to "active" status for families who have been held in "pending" status too long. In Ventura, families remain in "pending" status until the provider who has selected them releases them.

Although similar to other pilot counties, Ventura's CEL can record parental preferences by zip code or particular child care program, the county has decided to turn these filters off so that families always have the *opportunity* to say yes or no when offered a slot. If families indicate that they are not interested, this preference is recorded in the notes section of their application.

Families' eligibility is ultimately verified by the enrolling agency. If the family is no longer eligible at the time of potential enrollment, it is the provider's responsibility to communicate this to CDR, as providers themselves do not update data on the CEL.

Ventura County is not fully satisfied with their KinderWait CEL system, which was chosen in part because Controltec was the only vendor to make an in-person presentation. The county feels that the KinderWait system is not as user-friendly as they had hoped and it lacks flexibility in meeting the needs of individual programs (i.e., programs' differing criteria). The county also feels that using the KinderWait system is often a cumbersome process. For instance, the county has found it difficult to get the specific information needed from the CEL without running multiple queries and matching results from multiple printed documents. Considerable "wasted" screen space means that the county also had difficulty viewing several records at once. The system also does not allow for multiple viewers of the same record; in fact, a second viewer is sometimes not permitted access to this record until the day after the last person viewed the same record. Finally,

similar to other pilot counties using the KinderWait product, Ventura County faced challenges with regard to printing ad hoc reports. Only once a month does Controltec provide Ventura with a point-in-time database so that they can create any ad hoc reports they wish. In general, Controltec must generate all of the reports that Ventura would like. Similar to Glenn and San Mateo Counties, Ventura is hopeful that Controltec's contract with Los Angeles County will lead to upgrades and refinements of the KinderWait software.

Ventura County feels that one of the key strengths of its CEL model is that data entry and maintenance responsibilities are centralized at CDR and therefore do not burden participating providers. The county feels that one of its current weaknesses is that the CEL does not reflect the child care needs of families in outlying areas who may not even be aware of the CEL. With regard to essential features for a CEL, Ventura stated that a "point person" (e.g., a project coordinator) is necessary to lay the necessary groundwork for a CEL and establish partnerships with other agencies. Ventura also feels it essential that CEL software have the flexibility to meet the needs of everyday users who wish to manipulate the data, while also being user-friendly enough to those agencies who only use the CEL occasionally.

### **CEL Participation Level and Terms**

Ventura County's CEL has been operational for at least one year. As of early 2003, nine of 13 subsidized agencies were participating in the CEL.<sup>17</sup> CDR has signed an MOU with all participating providers but one. The MOU's terms stipulate that participating agencies should provide CDR with "currently existing eligibility list data." While all participating providers are supposed to use the CEL and not maintain individual lists, there is no such specific stipulation in the MOU and there is no way for CDR to ensure that this is true. Rather, the county relies on an honor system. At least two participating agencies maintain their own sibling lists, and consult these lists before the CEL to fill vacancies. Participating agencies also indicated that they may enroll walk-ins without first adding them to the CEL.

### **Preliminary CEL Effects**

Thus far, Ventura County feels that the CEL has had little impact on providers and planning agencies, and has affected families only in that families now only have to fill out one application form. However, since not all providers in Ventura are participating in the CEL,

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<sup>17</sup> Two of the nine participants cited by Ventura County are not on the state's list of agencies receiving funding for subsidized child care: Child Development Incorporated and Children's Home Society.

families *do* have to fill out more than one application form in order to be considered for vacant slots at all potential agencies. Participating providers indicated that the CEL has provided them with a greater pool of families to draw upon, but has not affected their day-to-day operations (e.g., in terms of staff responsibilities, reduced administrative workload). The county did not articulate any ways in which the CEL has yet impacted local planning and was somewhat divided in terms of how valuable they feel CEL data will truly be for accurately assessing demand in the county. In general, the LPC felt that it was too early to say how the CEL might inform their child care policymaking.

### **CEL Costs and Sustainability**

Ventura County's pilot project contract does not end until June 2003. The cost of Ventura County's CEL during the pilot period was \$220,378 (with \$121,441 secured from the state and \$98,937 from local income/contributions).

**Exhibit II-5: Ventura Budget and Selected Costs**

<b><u>Ventura Budget</u></b>	
State	\$121,411
Local income/contributions	\$98,937
Total	\$220,378
<b><u>Ventura Costs (select)</u></b>	
Vendor product and services	\$12,000
Hardware and software <sup>18</sup>	\$98,937
Staffing <sup>19</sup>	\$55,255

Ventura County expended \$12,000 or 5% of the total budget on Controltec-related expenses. These expenses covered the complete KinderWait software package, custom website hosting, and technical support. The county spent \$98,937 (local income/contributions) on hardware and software for the CEL project; 80% of this amount was for Internet connectivity equipment and PCs for providers. Staffing totaled \$55,255 with \$5,755 of this amount reserved for salaries and benefits and the remainder for non-CEL vendor service contracts.

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<sup>18</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>19</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors.

Ventura County will continue paying a monthly fee to Controltec to maintain the CEL after the pilot period. The monthly fee is 50 cents per active child on the CEL. As of late October 2002, there were approximately 1400 active children on the CEL for a monthly cost of about \$700. The monthly fee includes hosting of the CEL on an external server and basic maintenance and troubleshooting. Besides the monthly fee to Controltec, Ventura cited one full-time staff member needed to sustain the CEL after the pilot period; this staff member earns at most \$2,000 per month. Therefore, the county stated that the total monthly cost for maintaining its CEL after the pilot period is approximately \$2,700. CDR plans to absorb all future costs of sustaining the CEL out of its administrative funds and will not implement user fees as they are perceived as a significant deterrent to participation. The county indicates that CEL duties have been incorporated into permanent staff position(s) and they will not need state assistance to maintain the CEL. As one county contact indicated, the CEL is not thought of as a “special” project or funding source; it is simply the way CDR “does business.”

### **Summary of Challenges, Best Practices, and Recommendations**

Overall, Ventura County remains committed to the potential of CELs and feels that it was a significant achievement simply to learn that “it is possible to have a CEL [that works].” The county also cited its particular success in implementing a CEL that can be sustained beyond state funding. Ventura’s experience highlights the importance of integrating the CEL into (permanent) organizational structures from the onset. One of the largest challenges for Ventura continues to be the limits of its CEL software, as previously described. Ventura’s most significant lessons were around the time needed to begin and maintain inter-agency collaborations in order to have a successful CEL. The county also learned that without *requiring* all subsidized providers to participate in the CEL—e.g., through Funding Terms and Conditions (FTC)—the quality and accuracy of CEL data would likely be very limited.

## **CEL SUMMARY #6: BUTTE COUNTY**

### **Local Context**

Butte is a low-density county in North-Central California, located approximately 60 miles north of Sacramento. Butte County’s top industry is agriculture, which provides a significant base to the local economy. The median household income is close to \$29,000. The county’s population is approximately 203,000 with whites in the majority at 80%, and children under age 14 representing approximately 18%. Licensed child care slots

represent approximately 26% of child care need in Butte County.<sup>20</sup> Key child care agencies and CEL stakeholders in the county include: Valley Oaks Children's Services (VOCS, the R&R, APP, and CEL host); Butte County Office of Education (BCOE); and David Grant (the vendor).

### **CEL Model: Description and Assessment**

Butte's CEL is a pre-packaged, Internet-based model: David Grant's NoHo CARE system. Participating providers may directly access the CEL to edit family data and retrieve eligible families for open slots. Families do not have access to the CEL. Parents who are interested in applying for subsidized child care at a participating provider are told to contact VOCS. One of two data entry clerks at VOCS will take a family's application data over the phone and either enter it directly into the CEL or else write it down on a hard copy application form to be entered later.

When participating providers have a vacancy, they may use passwords to directly access the CEL online. However, because of slow and problematic dial-up Internet connections, participating providers generally were not accessing the CEL on their own, but rather were calling VOCS for referrals. A query is run to generate a list of eligible children that meet the program's criteria. Families designated as "active" and "enrolled/waiting" will come up as eligible families in order of state-mandated priority rankings. An "interviewing" status is used to indicate families that are being contacted by potential providers. As of early 2003, guidelines for providers' use of the CEL (e.g., how long a family could remain in pending status) had not been formally documented, particularly since the CEL is very much still in development and experiencing many technical difficulties. In general, VOCS is the only agency exercising access to the CEL and they provide referrals to other participating agencies in the "old-fashioned way" (i.e., through a phone call and a hard copy list of referrals). Families' eligibility is verified by the (potential) enrolling agency during an initial interview.

Butte County has experienced a number of challenges with regard to their CEL model. The county characterizes the NoHo CARE application as a work in progress. The largest challenge thus far has been the stability of the system. The county has experienced at least two prolonged periods where the CEL was essentially out of service for all users, forcing VOCS to conduct all queries for eligible families by hand. The county is sent enhancements or upgrades to the system about once a month. While system bugs are part of the upgrading

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<sup>20</sup> This statistic is drawn from *The California Child Care Portfolio 2001*.

process, one out-of-service period occurred when the county's CEL was upgraded by several versions simultaneously and the system could not handle the significant changes made between versions 3.4 to 4.2. Other challenges were related to ease-of-use, limited querying and reporting abilities, and inefficient screen space in the application layout. Despite the challenges experienced with NoHo CARE, the county feels that it is not familiar enough with the Controltec product to say whether KinderWait would have been a better choice. The county chose NoHo CARE because it could be fully integrated with CARE (the subsidy management system). The county is hopeful that once their CEL has been up and running for a longer period of time, it will be easier to customize the system to better meet their needs.

Overall, Butte County feels that one of the key strengths of its CEL model is simply the ability to sort families by program preference. The county feels that its largest weaknesses is the stability of the CEL application itself, as was previously described. With regard to essential features for a CEL, Butte stated that one agency and point-person should be primarily responsible for the operation and maintenance of the CEL in order to build expertise. The county also cited automated CEL functions as essential (e.g., archiving families who have not updated their information).

### **CEL Participation Level and Terms**

Butte County's CEL has been operational for less than one year. As of early 2003, four contractors were participating in the CEL and four were not.<sup>21</sup> An MOU has not yet been formed with participating agencies but may be drafted once the CEL secures buy-in from additional agencies. While all participating providers are supposed to forego their own lists, the county is not sure that all participating agencies have done so. The two most recently added participants are expected to gradually phase out their own lists to use the CEL exclusively.

### **Preliminary CEL Effects**

Thus far, Butte County feels that the CEL has had very little impact on families, providers, and planning agencies. Few families have been impacted by the CEL because very few agencies have been using the CEL for any length of time. The county assumes that families have continued to apply to multiple provider lists, particularly since not all agencies are participating in the CEL. Providers have expressed frustration with CEL implementation thus far but express hope that the CEL will

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<sup>21</sup> When counting participants by *programs*, Butte County indicates that five of 14 programs are participating to varying degrees and nine are not.

impart a number of benefits once the system is more stable. Providers have experienced challenges with slow, unstable Internet connections to the CEL, the accuracy of family data in the CEL, and the time needed to fill open slots with the CEL. For instance, one participating provider complained that the referral families they received from the CEL had many disconnected numbers. The county did not articulate any ways in which the CEL has yet impacted local planning and was somewhat divided in terms of how valuable they felt CEL data would truly be for accurately assessing demand, particularly since a limited number of agencies are participating in the CEL.

### **CEL Costs and Sustainability**

Butte County's pilot project contract ended in September 2002. The cost of Butte County's CEL during the pilot period was \$77,056, an amount secured from the state.<sup>22</sup>

**Exhibit II-6: Butte Budget and Selected Costs**

<b><u>Butte Budget</u></b>	
State	\$77,056
Local income/contributions	\$0
Total	\$77,056
<b><u>Butte Costs (select)</u></b>	
Vendor product and services	\$11,800
Hardware and software <sup>23</sup>	\$27,060
Staffing <sup>24</sup>	\$18,745

Butte County expended approximately \$11,800 or 15% of the total budget on vendor-related expenses. These service contract expenses covered installation, configuration, and training for CEL software, troubleshooting, and licensing fees. (The county expended approximately \$7,500 in licenses during the pilot period). Butte County's hardware and software costs totaled \$27,060 and included a Pentium III server, a number of new and replaced PC workstations, and a number of Microsoft server- and

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<sup>22</sup> Although we were unable to confirm this, the county may have returned approximately \$6,000 to the state after failing to secure a second, no-cost extension to their pilot project contract.

<sup>23</sup> Software does not include the CEL system software, which is included under vendor product and services.

<sup>24</sup> Staffing includes classified and certified salaries, benefits, and service contract staff excluding CEL vendors (e.g., Controltec).



license-related products. Staffing costs totaled \$18,745, of which \$17,045 was for salaries and benefits while the remainder was for service contract staff.

Butte County did not provide an estimate of the total monthly cost for maintaining the CEL. By adding up the county's expenses in salaries and benefits, materials and supplies, and (select) services and operating expenses, then multiplying this amount by the indirect rate, then dividing the total by 18 (the number of months in pilot period), we get a monthly cost of \$1,447, which when added to the monthly David Grant licensing fee of \$200, totals \$1,647 per month.

Butte County hopes that the LPC will continue paying the annual licensing fees to David Grant to maintain the CEL after the pilot period. The county currently holds ten annual licenses at \$240 each. VOCS will continue to contribute in-kind staff time to sustain the CEL. While VOCS had plans from the onset to sustain the CEL after the pilot period, the state of the economy and impending budget cuts have significantly affected the agency's outlook. VOCS has fewer administrative funds to support the organization and its various programs. While the situation has not yet affected the CEL, it may in the near future. While the county has not ruled out the possibility of a provider user fee to support the CEL, this approach seems unlikely until the CEL becomes a more stable and useful tool for participants.

### **Summary of Challenges, Best Practices, and Recommendations**

Overall, Butte County remains convinced that CELs hold great potential, but has been significantly challenged by the CEL implementation process, particularly given the technical difficulties the county faced. Another challenge was having responsibility for CEL implementation and administration split between two agencies.

### **UPDATES ON REMAINING PILOT COUNTIES**

We did not select three of the pilot counties for summaries: Los Angeles, San Francisco, and Solano. Los Angeles has not yet implemented a CEL, while San Francisco's and Solano's CELs were implemented (with a very limited number of providers) in February 2003. We provide an update for each of these counties below.

#### **Los Angeles County**

As of February 2003, Los Angeles County had almost completed the necessary customization of Controltec's KinderWait product and was poised to begin a short testing period before formally training participating providers who will have direct access to the CEL for both entering data and retrieving eligible families. The county estimated that the

first participating providers would be using the CEL in full by early March. The plan is to pilot the CEL with an initial group of 12 subsidized contractors before securing participation from additional agencies. Although Los Angeles has a draft MOU, the county has not yet determined its policy on whether participating agencies may maintain their own lists in addition to using the CEL. At least one of the initial 12 agencies indicated that it would be using both lists during the pilot phase.

So far, Los Angeles is happy with its decision not to design its CEL in-house; while the county has technical expertise in-house, Controltec represents a advantageous blend of technical expertise and understanding of subsidized child care.

The county's overall pilot project budget was \$259,000 (with \$249,000 secured from the state and \$10,000 coming from local income/contributions). Los Angeles has spent less than anticipated for hardware costs (\$30,000 actual versus \$50,000 budgeted) and more than anticipated for vendor costs (\$150,000 versus \$70,000). Vendor costs included the purchasing and customizing of the KinderWait product, as well as training, ongoing technical support, and maintenance through December 2002 (the end of the county's state contract). The county estimates that the ongoing monthly cost for maintaining its CEL in an "ideal fashion"—with the ability to bring all 158 contractors on board and support as many as 80,000 families on the CEL—would be approximately \$40,000 per month. Given the size of Los Angeles County, they will not be paying a per-child maintenance fee to Controltec; the ongoing vendor cost will need to be negotiated. However, the county indicated that \$2,500 per month would be needed simply to maintain the CEL server internally. For the next year or two, the county predicts that it will only be doubling the number of participating providers. Without continued state funds to bring on additional providers, the county will instead be concentrating on "keeping it small" and updating records using LPC funds.

### **San Francisco County**

As of March 2003, San Francisco County had had an operational CEL for only one month, with two contractors' data successfully migrated to the CEL. However, because one of the two contractors is a R&R/APP, the county estimates that the CEL may already contain close to 30% of the county's children that have applied for subsidized care. There are currently about 2,400 children on the CEL and the county is now working on migrating data from another R&R/APP in San Francisco.

The county has a MOU in place with the two participating contractors so far and will ask the remaining 33 to sign the document as they come onboard the CEL. The MOU stipulates that participating agencies agree to input all families seeking subsidized child care into the CEL database. The county feels that, in principle, participating agencies are not allowed to maintain their own lists in addition to using the CEL, though an exception might be made for certain programs in the interest of continuity of care (e.g., toddler to preschool programs); these transitions will not be viewed as open slots.

San Francisco is relatively satisfied with the design of their customized, Internet-based system. The system is perceived as clear, straightforward, and stable, though the county acknowledges that ongoing coding adjustments are inevitable in order for the CEL to report data not just correctly but in the most meaningful way (e.g., children by status over time). These adjustments are being made not by the original CEL designer but rather by a permanent staff member (the CEL Database Administrator) who is housed at the R&R/APP—an arrangement that places San Francisco in a more advantageous position than most.

San Francisco's overall pilot project budget was \$322,629 (with \$192,629 coming from the state and \$130,000 from local income/contributions). The county indicated that it expended \$100,000 for the development of the customized CEL software but that this amount was covered by local funds rather than the pilot project budget. Approximately \$21,000 of the budget was spent on hardware and non-CEL software costs. San Francisco County did not provide a complete estimate for the cost to maintain the CEL but indicated that \$5,555 per month would be needed to maintain the CEL Database Administrator's services over a period of 18 months and \$125 per month would be needed to pay the hosting agency. Ongoing funding sources are uncertain. Since the county's state contract ended in June 2002, R&R/APP and LPC funds have been used to sustain the CEL but this arrangement is questionable after the end of the current fiscal year.

Though it is still too early to gauge CEL effects, San Francisco feels that it is "a great place for a CEL" because, given the small geographic area of the county and the relatively small distances between providers, the average parent will want to consider all subsidized programs. The county feels that the biggest challenge of CEL implementation is changing the processes by which participating providers work. For instance, the CEL will require participating providers to verify income eligibility (with pay stubs) and see proof of immunization *up front* as opposed to at the potential time of enrollment. While

this arrangement requires agencies to front load some of their work, the county feels that it will “pay off” for providers when they receive (truly eligible) referral families from the CEL.

### **Solano County**

As of February 2003, Solano County had had an operational CEL for less than one month, with only one agency’s data merged onto the CEL and only one agency using the CEL (the R&R in both cases). The county is currently working on moving data from additional providers into the CEL, which currently has approximately 2,200 active children. The plan is to “walk providers through” the process of adding their first ten families into the CEL from hard copy application forms and then let providers do the rest of the data transfer on their own. Delegation of this data entry task reflects Solano County’s overall approach of rendering participating providers more responsible for CEL maintenance. Though only one agency is currently on and using the CEL, all subsidized agencies in Solano County are committed to CEL participation.<sup>25</sup>

The county has a MOU in place with all providers committed to CEL participation. While the MOU states that a participant must add names and enroll names from the CEL, there is no language in the document that prohibits providers from maintaining their own lists. While the county believes that participating providers should not need or want to maintain their own lists, it is too early to tell if this will be the case. Solano’s CEL will be able to track which providers are adding and enrolling families from the CEL; this is expected to provide some measure of oversight.

Solano’s decision to select David Grant as its CEL vendor was based primarily on cost. Thus far, the county has found the vendor supportive in terms of providing upgrades to the system free of charge. One of the county’s largest challenges with their CEL thus far has been the technological capacity of some participating providers. While the county has purchased new computers for some participating providers, concerns remain about the speed of providers’ Internet connections. Specifically, those using a dial-up connection are expected to be significantly challenged in efficiently entering data into and drawing data from the CEL.

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<sup>25</sup> Solano County counted their total number of participants as 24. However, when counting participants by contractors rather than contracts/programs, the total number appears to be ten (with three of these not appearing on the state’s list of agencies receiving funding for subsidized child care).

Solano County's overall pilot project budget was \$88,460 (with \$31,345 secured from the state and \$57,115 from local income/contributions). The county feels that the budget was adequate, and the only thing they would have done differently was to avoid their contract with School Web Services as the initial vendor.<sup>26</sup> The county expended approximately \$16,600 of their total budget on David Grant related expenses including the purchase of NoHo CARE software, training, technical assistance, licenses, and website hosting. The county spent \$8,509 on hardware costs including eight computers and eight printers. Solano County states that their only ongoing costs to maintain the CEL after the pilot period ends in June 2003 is the licensing and hosting fees paid to David Grant. The licensing fee is \$20 per month per user; Solano County currently supports 23 licenses, amounting to \$460 per month. The hosting fee is \$195 per month. The state grant will pay both licensing and hosting fees through the end of the contract period in June 2003; after this time, the R&R was planning to cover the costs, though the state of the local economy and impending budget cuts may challenge this plan. The county has had preliminary discussions about potentially building a new CEL that can be maintained without ongoing fees to an outside vendor. Overall, the county feels confident that it can sustain the CEL with or without continued state funding.

## **CROSS-COUNTY PATTERNS**

From the CEL summaries and updates presented in this chapter, it is apparent that because pilot counties' CELs have generally been operational for a year or less and have enjoyed limited participation, they have little yet to report in terms of CEL effects on families, providers, and planning agencies. Rather, counties have invested considerable resources in establishing critical CEL infrastructures and processes. Below we present some patterns that we observed across pilot counties' implementation experiences. A number of these observations feed directly into the best practices section of Chapter III.

### **CEL Resources and Organization**

- *Nearly all counties underestimated the time-intensiveness of CEL implementation.* When asked about the major challenges of CEL implementation, counties consistently cited a shortage of staff time and capacity to attend to the multi-faceted nature of CEL implementation (e.g., building partnerships, conducting outreach to providers, working

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<sup>26</sup> Solano County was able to transfer the amount budgeted for the School Web Services contract to their subsequent contract with David Grant. The budget did not change and the state did not require Solano County to resubmit their budget.

with technical staff). Many counties specifically emphasized the need for more full-time staff dedicated to the CEL, especially project manager positions.

- *Nearly all counties emphasized the need for a single agency and point-of-contact for CEL implementation.* A number of pilot counties felt that CEL implementation was challenged by spreading CEL responsibilities and tasks across different agencies rather than concentrating efforts in a single organization.
- *Experiences of pilot counties emphasized the need for cross-training in technology and child care.* A number of pilot counties remarked that one of the most significant challenges they faced was facilitating a dialogue between child care experts and technical experts responsible for CEL design and customization.

### **Pre-Packaged vs. Customized CEL Software<sup>27</sup>**

- *Pilot counties' pre-packaged choices appeared motivated by cost and/or lack of information on alternatives.* For those seven counties that chose either KinderWait or NoHo, their choices appeared largely motivated by cost-savings and/or a perceived lack of software alternatives. For instance, one pilot county indicated that it chose its vendor because they were the only one that came to make a presentation to county stakeholders.
- *Pilot counties with pre-packaged systems experienced several user and customization challenges.* The largest challenges counties experienced with pre-packaged systems were limited querying, printing, and report-generating capabilities, as well as difficulties negotiating adequate and/or rapid customization by vendors. Counties using the KinderWait product expressed hope that the size and needs of Los Angeles County (which recently chose KinderWait for their CEL system) would ensure that Controltec made necessary and possibly free-of-charge upgrades.
- *Pilot counties with customized systems cited no challenges related to usability or customization.* The three pilot counties that chose customized systems cited no challenges with regard to their CEL design or usability. Two of these counties specifically cited their customized model as a key strength, particularly since they were able to get necessary changes or customizations made immediately and enjoyed a close working relationship with technical staff. In two of the three customized counties, key technical staff was housed in lead CEL agencies. Customized counties also enjoyed their systems' unique processes and capabilities such as automated data-cleaning and GIS mapping.

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<sup>27</sup> Please refer to Appendix A for a detailed breakdown of pilot counties' technology and access choices.

### **CEL Access and Responsibilities**

- *Pilot counties ranged in their choice of whether to emphasize provider responsibility or minimize provider burden.* Pilot counties ranged in their choice of delegating CEL responsibilities to participating providers or refraining from adding administrative burdens on providers. For instance, Solano County chose to promote a “co-ownership” approach in part by asking participating providers to enter their own list data into the CEL and to assume data maintenance responsibilities. On the other hand, Ventura County cites a key strength of their model as the fact that providers have no obligation to enter or maintain any data on the CEL.
- *Half of pilot counties permit some type of provider access to the CEL.* Three pilot counties allow participating providers write-access to the CEL—i.e., the ability to enter and update data on the CEL. These counties, in addition to a fourth pilot county, allow participating providers read-access to the CEL—i.e., the ability to directly draw eligible names from the CEL to fill open slots.
- *None of the pilot counties allowed family access to the CEL.* While Glenn County allows families to submit their applications over the Internet, the county does not permit family access to the CEL record or system itself. Other counties indicated that they might consider implementing family access at some point in the future.
- *Half of the pilot counties deliberately limited CEL access to central staff.* Glenn, Kern, and Ventura Counties invested specific staff (at local R&Rs/APPs) with sole responsibility for entering and maintaining CEL data.<sup>28</sup> These counties found that such an approach promoted accountability, ensured that correct and complete information would be entered from the start, and limited the burden placed on participating agencies for CEL administration.

### **CEL Guidelines and Practices**

- *Pilot counties allow participating providers to retrieve between 3-60 CEL families at a time for between two days and two weeks.* At least two counties (Butte and San Mateo) do not yet have policies in place for how many families a provider may retrieve at one time or for how long. For those that do have such policies, the underlying concern is to minimize the risk that (the most) eligible families will miss potential open slots by being held in “pending” status too long by any one agency. At least five counties have CEL functions that automatically revert families to “active” status if they are held too long. Only limited instances exist where pending families may also be contacted by other potential providers. In

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<sup>28</sup> In Ventura County, while participating agencies may not enter or update data, they are permitted access to the CEL to retrieve eligible families.

Ventura County, providers who choose to call the R&R for referrals (as opposed to directly accessing the CEL) do not have their referral families marked as pending. Toward the end of the pilot period, Kern County was to explore the possibility of allowing multiple providers access to the same families in order to increase the probability that the most eligible families are served first.

- *All but two pilot counties verify eligibility at (potential) time of enrollment.* Nearly all pilot counties stated that families' eligibility for subsidized child care is verified by the enrolling agency. Before this time, families' self-reported eligibility data is accepted at face-value. However, Fresno County verifies income eligibility at the time of application for families at priority ranks one, two, and three in order to immediately identify families who misreport income data in hopes of faster child care placement. San Francisco County is asking participating providers to check pay stubs and confirm immunization at the time of application.
- *At least one pilot county does not use family preference data as a filter.* Most pilot counties record family preferences for child care through zip code and program type fields or through a "notes" section of a family's record. However, at least one county (Ventura) chooses to turn these filters off when querying for eligible families. It is this county's philosophy that the most eligible families should always have *the opportunity* to reject a potential slot.
- *Feedback loops are lacking in some pilot counties.* At least three pilot counties experienced difficulties with regard to tracking providers' interactions with CEL families. For instance, Glenn, San Mateo, and Ventura Counties currently rely on providers to call CEL staff and let them know which referral families were actually enrolled or had a change in status. In Glenn County, insufficient feedback loops sometimes led to participating providers receiving referral families multiple times even though these families had disconnected numbers or had already expressed disinterest in their particular program.

We use this chapter's discussion of counties' specific implementation experiences in order to inform our broader-level discussion of CEL participation and best practices in the chapter to follow.



### III. CEL PARTICIPATION & IMPLEMENTATION BEST PRACTICES

The success of a CEL naturally hinges on the extent to which subsidized contractors choose to participate. In this chapter we devote special attention to the issue of CEL participation. We discuss what participation truly means in the CEL context before exploring two basic, related research questions of the CEL evaluation: to what extent did subsidized child care contractors in the nine pilot counties participate in the CEL, and what were the primary reasons that agencies chose to participate or not. We also review some of the best practices and strategies employed by pilot counties to encourage contractors' participation in the CEL. Finally, in this chapter we review the best practices not only of participation, but also of other key areas of CEL implementation: CEL leadership and administration; CEL planning; technical design issues; interagency partnerships and agreements; family outreach and education; provider/stakeholder training; and data migration and management.

#### THE MEANING OF CEL PARTICIPATION

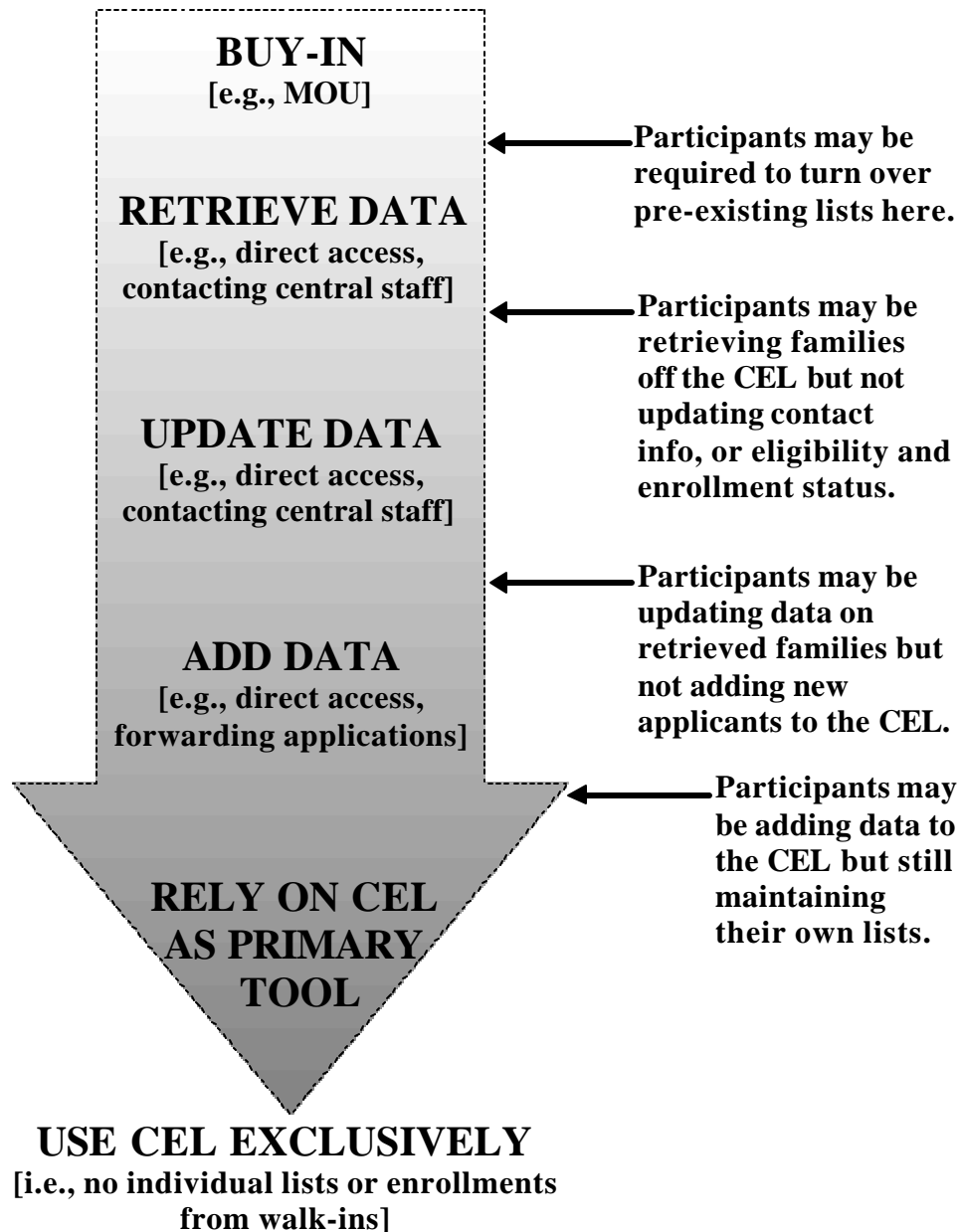
The meaning of the term *CEL participation* became a complicated issue during our evaluation. For instance, does participation simply mean that an agency has agreed, in some cases through a MOU, to use the CEL? Should an agency be considered a CEL participant regardless of how many times they have actually used the CEL, or whether they keep their own individual lists in addition to using the CEL? In some pilot counties, CEL participants still relied primarily on their own lists and used the CEL only when their own lists did not suffice. In one county, this turned out to be necessary for participants fewer than three times in the last year. On the other hand, in some pilot counties, some participants rely exclusively on the CEL to fill vacancies. Below we further dissect the meaning of CEL participation across pilot counties.

- **Different definitions and degrees of CEL participation exist.** CEL participation may simply denote agencies that have bought in or committed to the CEL (e.g., through a MOU) but have not yet *used* the CEL. While agencies' buy-in may serve as an indicator of community support for the CEL, *usage* is what allows exploration of the CEL's perceived benefits and value. Therefore, CEL participation may denote only agencies that have actually *used* the CEL. However, even if one defines participation by *usage*, there are still a number of critical variables of CEL participation, which are described below and visually depicted in Exhibit III-1.

### *III. CEL Participation & Implementation Best Practices*

- *Entering Data and/or Retrieving Data.* Those who are using the CEL may be entering (or forwarding) their family data to the CEL as well as retrieving data to fill open child care slots. However, some participating agencies are only using the CEL to retrieve data without sharing or updating their own data, raising the question of whether these agencies are “true” CEL participants.
- *Exclusivity and Frequency of CEL Usage.* In several counties, participating agencies are not only using both the CEL and their own lists, but are using the CEL in a very limited fashion—i.e., only when their own lists and methods do not suffice. Some participating agencies have used the CEL as little as one time in the past year, raising the question of whether CEL participation is at all defined by a minimum level of use.

### Exhibit III-1: Levels of CEL Participation



- **Only two pilot counties had 100% participation as defined by buy-in.** During the pilot period, only two counties—Solano and Glenn—had all subsidized contractors agree to be CEL participants by signing a MOU.
- **Only one pilot county had 100% participation as defined by usage.** As of the writing of this report, only one pilot county—Glenn—was able to get all of its subsidized contractors to *use* the CEL. However, the county cited difficulties in getting all participants to use the CEL in the agreed-upon fashion. Furthermore, Glenn was unsuccessful in getting the Migrant Head Start *program* to participate in the CEL. Although Glenn represents the only county with all contractors using the CEL in some form, it is important to note that in at least three counties, CEL usage was deliberately limited to a particular number of contractors as part of a staged implementation process.
- **Pilot counties can or will not ensure that participating contractors are not maintaining their own lists.** In several counties, CEL leaders openly acknowledged that providers would be using their own lists as well as the CEL, and either promoted the CEL as an additional enrollment tool or simply expressed hopes that providers would gradually “wean off” their own lists in favor of the CEL. At least two counties felt it necessary to allow multiple lists due to early, unreliable stages of CEL implementation and the uncertainty of financially sustaining the CEL in the long term. While some pilot counties stipulated in their MOUs that participating agencies must forward all their data and/or use the CEL exclusively, no county had the ability or desire to enforce this stipulation. By and large, counties are relying on an “honor system” for participating providers and feel that the tracking abilities of some CEL software systems may provide a measure of enforcement (i.e., by recording who is entering and drawing CEL data).
- **CEL value significantly affected by participation levels and terms.** Given that not all potential contractors are using the CEL, and given that many contractors are using the CEL only in a limited fashion to supplement their own lists/methods, then there are natural implications for the accuracy and value of CEL data. Without all agencies using the CEL, CEL data is not truly “centralized” and cannot be seen as representative of families’ true demand for subsidized child care. In counties where participating providers are keeping their own lists but also forwarding their data to the CEL, it is unclear how CEL implementation is reducing duplication. Without all contractors using the CEL exclusively or primarily, families who rely solely on the CEL may actually be negatively impacted in that potential providers are not always using the CEL to fill open slots.

Given the considerable differences in definitions of CEL participation, it becomes somewhat difficult and less meaningful to make inter-county comparisons in this area. The varying definitions and requirements of CEL participation also raised implications for the definition of a CEL itself. If CEL participants are “allowed” to maintain their own individual lists in addition to using the CEL, then at what point does the CEL cease to be a CEL? If participating agencies draw from the CEL but do not forward data from their individual lists, then can the CEL truly be considered a centralized list for the county? If a participating agency immediately enrolls a qualified walk-in family without first adding the family to the CEL, how valuable is the CEL as a tool for accurately representing the characteristics of the county’s families in need of subsidized child care? These are all questions that were raised during the course of CEL implementation and evaluation.

Despite the complexity of the questions raised above, we nevertheless attempt to describe participation rates across pilot counties and discuss the primary reasons for why contractors chose to participate in their county’s CEL or not.

#### **PARTICIPATION RATES AND INCENTIVES**

Exhibit III-2 displays for each pilot county the number of participating contractors, the total number of contractors, and the former as a percent of the latter (i.e., the CEL participation rate). Also shown is the number of contract dollars represented by the participating agencies, the total number of contract dollars in the county, and the former as a percent of the latter.

For the purposes of this exhibit, a participant is defined as a contractor that *uses* the CEL though we also include a separate count of MOU signers as a supplemental gauge of CEL support in each pilot county. When counting the number of participating contractors in each county, we do not count a contractor’s multiple sites or program contracts as additional participants. We followed this approach as it was the one taken by most pilot counties themselves in reporting their number of participants (e.g., in their original pilot project proposals). However, in the notes section of Exhibit III-2, we include any differing interpretations of participation rates as provided by counties during their final interviews.

**Exhibit III-2: CEL Participation Rate by Pilot County<sup>1</sup>**

<b>Pilot County</b>	<b>Participation Rate</b>		<b>No. of MOU Signers</b>	<b>Notes</b>
	<b>Contractors</b>	<b>Contract Dollars *</b>		
Butte	4/8 <b>(50%)</b>	\$10.3/\$12.1 <b>(85%)</b>	0	MOU not drafted. Butte's participant count: 5 of 14 <u>sites</u> .
Fresno	2/40 <b>(5%)</b>	\$20.5/\$67.4 <b>(30%)</b>	6	
Glenn	3/3 <b>(100%)</b>	\$2.5/\$2.5 <b>(100%)</b>	2	Glenn's participant count: 8 of 9 <u>sites</u> .
Kern	5/19 <b>(26%)</b>	\$45.8/\$61.6 <b>(74%)</b>	6	
Los Angeles	0/158 <b>(0%)</b>	\$0/\$709.9 <b>(0%)</b>	0	MOU drafted but not approved. Twelve contractors committed to CEL testing phase. This represents 8% of all contractors and 57% of county contract dollars.
San Francisco	2/36 <b>(6%)</b>	\$15.1/\$69.8 <b>(22%)</b>	2	
San Mateo	13/25 <b>(52%)</b>	\$20.5/\$29.4 <b>(70%)</b>	0	MOU not drafted. San Mateo's participant count: 13 of 30 <u>sites</u> .
Solano	1/9 <b>(11%)</b>	\$20.6/\$25.9 <b>(80%)</b>	10	Solano's participant count: 1 of 24 <u>sites</u> .
Ventura	9/14 <b>(64%)</b>	\$34.1/\$37.7 <b>(90%)</b>	8	

\* In millions

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<sup>1</sup> Data on the number of contractors and the total contract dollars in each pilot county was provided by CDE.

As of the writing of this report, the number of county contractors using a CEL ranged from zero to 13. However, as discussed earlier, great variation exists even within the user group in terms of how *often* the CEL is used. In addition, three qualifications should be noted to the participation figures above. First, four of the pilot counties deliberately limited participation during the pilot phase in order to resolve major system challenges and bugs before marketing the CEL to additional agencies. Second, while some counties may have a small number of participants, each participant's list may represent a significant proportion of the total number of children in need of subsidized care in the county and a significant proportion of the county's total contract dollars for subsidized care. For instance, San Francisco estimated that one of its two participants represents between 30-50% of all children in need of subsidized care. In Solano County, there is only one CEL participant thus far, but this particular contractor represents 80% of the county's total contract dollars. Finally, given the varying sizes of pilot counties, a relatively small number of participants can represent varying proportions of the total number of potential participants. For instance, in Kern County, there are six CEL participants representing 32% of the county's potential contractors, while in Los Angeles County, there are 12 planned participants for the upcoming testing phase, representing just 8% of the county's total number of potential participants.

Given the varying definitions of CEL participation, it is exceedingly difficult to say how participation rates increased or decreased over the pilot period. For instance, San Francisco County counted over 30 contractors as participants in its original proposal. However, if we are defining a participant as a user, then in reality, San Francisco had zero participants at the start of the pilot period and had two participants not by the end of the pilot period, but by the writing of this report. Other pilot counties enjoyed similar, modest gains in user numbers, or else their numbers remained constant. For instance, counties that had pre-existing versions of CELs saw no growth in their number of users.

Contractors chose to participate in a county CEL for a number of reasons. There were the more "obvious" potential benefits of serving the neediest families first and realizing efficiency in terms of recruitment and enrollment processes. But providers also chose to participate because they were: involved in initial CEL planning meetings; already receiving referral services from the agency housing the CEL; or housed within the agency housing the CEL. For instance, one county indicated that they "did not have to do a whole lot" with regard to securing agency participation since many of the agencies had been active in the initial CEL planning meetings and were therefore interested in

participating from the onset of the pilot project. At least two other counties indicated that provider participation was facilitated by the fact that providers were already using the R&R (housing the CEL) as a source of referrals. Therefore, the CEL did not represent a large transition. One pilot county “facilitated” participation by the mere fact that the agency housing the CEL also served as the umbrella organization for six subsidized programs.

Other reasons for provider participation included the promise of “easy” data and CEL-generated reports for state purposes and funding opportunities; and the promise of CEL as an “error-proof” system. Specifically, some participating providers felt the CEL would prevent the types of errors that might be flagged during a state auditing process, such as failing to enroll children with the highest priority ranking.

Pilot counties also used a number of deliberate strategies to promote CEL participation among contractors. Many of these strategies were concerned with securing providers’ input and addressing their reservations about CEL participation.

- *Emphasize the CEL as an eligibility list.* Perceptions of the CEL as a waiting list tend to raise providers’ fears about losing control over their enrollment process. Pilot counties emphasized the CEL as a pool of applicants from which providers could choose, and reminded providers that because they are the ones who are audited, they *must* be in charge of their own enrollment process.
- *Remind providers of the CEL’s benefit to families and advocacy efforts.* Counties stressed that the CEL is designed not only to help providers, but also to assist families and to provide data that will support future child care advocacy efforts. Emphasizing these additional benefits has helped secure additional provider participation in some counties.
- *Sell the CEL as a way for providers to maintain funding levels.* For providers with open slots, the CEL can be seen as an especially useful tool for filling slots and therefore maintaining a steady level of state funding.
- *Ask stakeholders early on what they need and want from the CEL.* As a result of soliciting provider input early in the CEL process, counties can feel more confident that the CEL system being designed and implemented will meet the approval of its users and facilitate a sense of shared ownership as well as participation. For example, one county surveyed providers on what elements to include on the single application form. In another county, the vendor worked with providers to determine what they needed from the CEL interface—e.g., a drop-down menu of zip codes. Based on solicited stakeholder feedback, Kern County chose to continue



with its locally-networked CEL despite the popularity of Internet-based CELs in other counties. San Francisco County found that many of their providers' reservations about CEL participation faded as the CEL design evolved to reflect their input and concerns.

- *Render the CEL decision making process highly visible.* Although CEL implementation can represent uncharted territory, providers' fears about participation can be partially allayed by publicizing the CEL decision making process and documenting its outcomes so that providers always have an opportunity to review materials and ask questions.
- *Clearly indicate the process for incorporating feedback.* Counties can assure providers and other stakeholders that their feedback is truly important by clearly indicating the scheduled dates and deadlines for CEL feedback and revision processes, and by providing an explanation when providers' concerns are *not* incorporated.
- *Emphasize shared ownership among participating providers.* A number of counties took steps to emphasize shared CEL ownership among providers—for instance by establishing a providers' subcommittee for the CEL in order to promote participation. This helped to foster the idea that the CEL was coming from the providers rather than being imposed upon them. In Solano County, participating providers are asked to share significant responsibilities for maintaining the CEL (e.g., data cleaning) as part of their joint ownership.
- *Engage in continuous and multiple forms of provider outreach.* Because securing providers' participation may be a long process, one county recommended that continuous and multiple strategies be employed such as interviews, questionnaires, follow-up phone calls, provider planning sessions, and LPC meetings—where time is dedicated to explaining the CEL, answering questions from providers, and soliciting feedback and suggestions. Convening providers and other stakeholders early on and regularly can help create and maintain a sense of trust and shared ownership, as well as address challenges of frequent staff turnover in participating child care agencies.
- *Use site visits rather than surveys to learn about providers' needs and unique circumstances.* Not only are site visits more conducive to relationship building, but they also may reveal more information than a survey or phone call could. For instance, one county pointed out that a site visit could reveal such challenges as a provider having insufficient space or technological infrastructure to participate in the CEL.
- *Assess providers' comfort level and capacity to incorporate technology as a means of CEL participation.* Addressing providers' technology issues and concerns has assumed many forms. For instance, Solano County's plan called for the purchasing of necessary hardware for planned CEL participants. At least two pilot counties developed a technology needs

survey to determine providers' capacity to participate in an Internet-based CEL and to gauge any technology-related concerns. Other pilot counties began discussions about how to build providers' technological capacity in the long term—e.g., by working out high-speed Internet connections and troubleshooting computer problems.

- *Avoid instituting a CEL participation fee.* Only one county attempted to implement a CEL user fee but quickly realized that it posed a significant deterrent to participation, particularly during early stages of CEL implementation when the product had not yet been “proven.”
- *Pilot-test provider participation.* With an eye toward securing broad provider participation, at least three pilot counties decided to work with only a subgroup of participants at the start of CEL implementation in order to resolve any system bugs before promoting the CEL to the broader community. One of the counties planned to convene the subgroup in order to learn about their CEL experiences and hear their recommendations for improvement. The upgraded version of the CEL can then be used as a stronger selling point to recruit providers not yet participating.

#### UNDERSTANDING NON-PARTICIPATION

As discussed earlier, pilot counties have enjoyed various rates of provider participation thus far—either as a result of full outreach efforts or deliberate attempts to limit the number of initial participants. However, non-participants still comprise the majority of contractors in the majority of pilot counties, particularly when one limits the definition of participant to an agency that has actually *used* the CEL.

Several reasons for non-participation have emerged over the course of the pilot project. While initially these reasons centered on losing control over enrollment processes, more recent reasons have been concerned with target populations and service areas. All reasons are further described below.

- *Fear of losing control over enrollment.* At the beginning of the pilot project, many providers hesitated to participate in the CEL because of fears that they would be losing control over their own enrollment processes. Specifically, some providers perceived the CEL as a strict waiting list rather than as a pool of eligible families from which they were to draw.

- *Perceived need to maintain own list as part of FTC.* Some providers chose not to participate in the CEL because of FTC that stipulated that, as CDD contractors, they must maintain their own waiting lists.<sup>2</sup>
- *Individual lists and methods are sufficient.* A number of pilot counties reported that some providers saw no reason to participate in the CEL because their own individual lists and methods were sufficient for meeting their enrollment needs. For instance, in one pilot county, a couple of the contractors successfully rely on a one-day family “roundup” event to fill their vacancies.
- *Participation not worth user-fee.* The announcement of a CEL user fee in Kern County was a considerable deterrent to CEL participation. Although the county later rescinded the fee, it took time to “spread the word” about the fee-free CEL. Other pilot counties have deliberately avoided imposing CEL user fees because of cost as a perceived deterrent, particularly given that many systems are still in development/pilot phase.
- *Concerns about CEL sustainability.* Some providers chose not to participate in the CEL because of concerns that the CEL did not have assurance of continued funding. Providers felt it risky to invest in a new way of doing business when the CEL might not be sustainable in the long term.
- *Negative example set by other potential participants.* In at least one pilot county, a number of providers hesitated to participate in the CEL because one major agency with significant clout had declined to participate. The perception among other providers was that “there must be a good reason” for why this large agency was not participating in the CEL.
- *Desire to serve specific neighborhoods and/or populations.* A number of contractors declined to participate in CELs because of a need or desire to serve the neediest families *within specific neighborhoods or areas* of the county. Some of the providers simply had a tie to particular neighborhoods or towns, while others were concerned with serving particular school districts despite reassurances that CELs could sort by different program criteria. This challenge to recruiting agency participation seemed particularly likely to happen in pockets of counties with large geographic areas.
- *Interpersonal way of doing business.* Some contractors did not want to use the CEL because of their own more interpersonally-based methods of recruiting and enrolling children (e.g., getting a feel for the needs of qualified walk-in parents, as opposed to relying on names drawn off the computer).

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<sup>2</sup> Efforts are ongoing to approve legislation that states CEL participation meets contractors’ requirements to maintain waiting lists.

- *Concerns about a homogeneous mix.* Finally, a limited number of providers cited concerns about serving a more homogeneous mix of “fragile” children as a result of CEL participation. For instance, an individual provider’s list might have eight children at rank one, 15 children at rank two, and so on, whereas the CEL might have 100 children at rank one so that a provider would end up serving more rank one children. While this represents an advantageous situation in terms of serving the county’s neediest children first, from an individual provider’s perspective, it raises concerns about a concentrated mix of extremely vulnerable children and staff burnout.
- *Confidentiality concerns.* A limited number of providers declined to participate in the CEL because of concerns about sharing client data with other providers.
- *Quality of Internet connections.* In at least two counties, the quality of providers’ Internet connections posed a hindrance to CEL participation. Providers that were supposed to enjoy direct access to the CEL sometimes suffered slow or unreliable dial-up connections to the CEL that in turn discouraged CEL participation in terms of usage.

### **IMPLEMENTATION BEST PRACTICES**

Given the pilot period experience, other counties should expect challenges not only in the critical area of provider outreach and participation but also in the following key areas: CEL leadership and administration; CEL planning; technical design issues; interagency partnerships and agreements; family outreach and education; provider/stakeholder training; and data migration and management. We discussed these implementation challenges in detail in the Interim Report, as well as to some extent in Chapter II of this report. Since the Final Report is less focused on process issues than the Interim Report, we do not discuss the challenges again here but instead provide a list of corresponding best practices that can be shared with and used by other, non-pilot counties in their CEL efforts.

#### **CEL Leadership and Administration**

- *Assign CEL leadership responsibilities to a single agency.* Segmenting CEL leadership among multiple agencies raised a number of bureaucratic, logistical, and communication challenges to CEL implementation and progress.
- *Identify a full-time project manager at the onset.* Having a dedicated CEL coordinator helps ensure that progress is made on all facets of CEL implementation (e.g., technical design, provider outreach, etc.) and helps avoid placing unnecessary burden on multiple staff members. Depending

on the county's CEL model and staff capacity, the project manager position may or may not be a permanent position.

- *Skew CEL resources toward implementation- rather than oversight-staff.* While adequate resources must be budgeted for CEL planning and oversight, counties should dedicate the vast majority of staff resources to those who will be directly interacting with the system.

### **CEL Planning**

- *Involve child care stakeholders during the planning process.* It is critical to ask providers and other stakeholders early on what they need and want from the CEL. By soliciting input early in the CEL process, counties can feel more confident that the CEL system being designed and implemented will meet the approval of its users and facilitate a sense of shared ownership.
- *Emphasize the CEL not as a project but rather as a new way of doing business.* Adopting this view from the beginning will help counties plan for how the CEL system and its associated duties might be permanently incorporated into county infrastructure—e.g., redistributing a project manager's responsibilities to various permanent staff.

### **Technical Design Issues**

- *Hold initial cross-training session between child care and technology stakeholders.* Before child care and technology stakeholders can have a clear, meaningful conversation about CEL design and planning, each side should be “trained” or educated about the other. For instance, technical experts might be educated about a county's particular array of subsidized child care options and agencies. Child care stakeholders can learn basic technical terminology and design options.
- *Establish a “hands on” working relationship with vendor.* Counties should plan on working intimately with technical design staff in order to explicitly detail county needs and preferences for the CEL system and how those should be reflected in the software's interface.
- *Contracts with vendors should address customization.* Counties' contracts with vendors should specify what degree of customization can be expected as part of the contract's terms and any cost implications.

Pilot counties' experiences also suggested the need for certain essential design features in order to make CELs more effective. These features include the following:

- Annual *and* monthly income fields;
- Querying CEL by subsidized programs' varying eligibility criteria;

- Flexibility in building customized CEL queries (e.g., number of preschool-age children with certain characteristics in a certain city);
- Parental preference fields by program type and/or zip code;
- Ample allotted space for notes/comments section of application;
- Automated age group-categorization based on birth date (e.g., automatically moving a child from a special needs infant category to the preschool category);
- Automatic reverting of “pending” families to “active” status (after a predetermined time limit);
- Automated error-checking by the CEL (e.g., flagging garbage data for follow-up);
- Ability to view and print child and associated family data on same screen and page;
- Tracking of contractors’ access to and transactions with CEL (e.g., how many times a particular provider has retrieved families without updating data);
- Field that tracks and describes previous contacts made a family (e.g., if a contacted family said they did not want a slot with a particular center) so that these families can be filtered out as appropriate.

#### **Interagency Partnerships and Agreements**

- *Use MOUs to specify expectations regarding maintaining multiple lists and handling walk-ins.* MOUs can specify whether participating providers are: “allowed” to maintain their own lists (in addition to using the CEL); expected to forward all application data; and expected to enter walk-in families into the CEL before enrollment.
- *Use MOUs to promote sense of shared ownership, equity, and continuity.* MOUs are useful for giving participants a sense of ownership in the CEL, assuring providers that all participants are held to the same CEL rules and guidelines, and ensuring a sense of continuity in CEL participation despite any turnover in participant staff.
- *Recognize that MOUs may be counterproductive in smaller counties.* In relatively small and/or rural counties, formulating a MOU may be a “turnoff” to agencies that are likely to be on intimate personal and working terms.
- *Keep MOUs brief.* The MOU should be kept as brief as possible in order to highlight the key points (e.g., regarding maintaining multiple lists). A P&P manual can be effectively used to flush out MOU guidelines.

### **Family Outreach and Education**

- *Delay family outreach until CEL is operational and relatively stable.* Family outreach strategies such as flyers should be delayed until the CEL is operational and actually able to accommodate a potential surge in applications.
- *Recognize that high-profile public announcements may create false hope.* High-profile outreach strategies such as billboards and Public Service Announcements (PSAs) may give families an inappropriate sense of urgency or a sense of false hope about their chances of securing subsidized care.
- *Tailor family outreach strategies to the composition and distribution of the county population.* In more rural counties, mass communication strategies—such as newspaper advertisements and billboards—may not be as appropriate or effective as interpersonal contact—e.g., CEL booths at social events.
- *Plan on using interpersonal communication to differentiate between eligibility and waiting lists.* Many families may not understand the difference between an eligibility and a waiting list. Interpersonal communication (e.g., between a CEL clerk and a family) may be the only way to effectively detail this difference (as well as to provide a general education on the world of subsidized child care).
- *Utilize a range of community partners to reach families and promote the CEL.* Community partners such as Human Services and the local housing authority can refer families to the CEL, effectively utilizing an interpersonal and low-profile approach to CEL promotion.

### **Provider/Stakeholder Training**

- *Plan to conduct group CEL trainings based on varying levels of computer skills.* While some trainees may require assistance simply to use a web browser, others will be ready to jump into the specifics of entering data into the CEL system.
- *Individual, on-site, follow-up trainings may be necessary.* In addition to general group trainings, individualized follow-up trainings may be necessary in order to address challenges or to ensure proper procedures are being followed at provider sites.

### **Data Migration and Management**

- *Manually entering data into the CEL may be the most efficient process.* At least three counties discovered that it would have been more efficient to manually enter data into the CEL rather than—for example—creating programs to fold SMP data into the CEL or writing intermediate databases. In one county, the electronically transferred lists had a great deal of duplication and it was necessary to manually remove identical records. San Francisco County determined that only two or three of its

providers' individual lists were large enough to warrant writing programs for electronic conversion.

- *Use an intermediate database to address different data collection requirements.* Providers' lists may be transferred into an intermediate Access database before migrating them to the CEL. This preliminary step may be taken when the CEL and the previous system collect data differently or when providers are not collecting all the information required by the CEL. Once the lists are moved to the Access database, the county can auto-populate blank fields in order to facilitate data sorting and the completion of missing data.
- *It may be more efficient to delay the updating and purging of data until after securing all providers' input.* In one county, the initial plan was to clean data before transferring it to the new CEL system. However, the county decided to delay this process until after an upcoming providers meeting where providers would likely request that the county collect additional or revised CEL data elements. The county decided to wait to do a full and complete update and purge all at once—including updating the standardized data elements and incorporating providers' requests for additional family data elements.
- *Combat incomplete information by using a special category designation.* Incomplete data fields may be sent to a "special category" that is reviewed weekly by a staff member who then contacts the family and completes the application process over the phone. This process has allowed for families to be entered into the CEL that might have otherwise been ignored as "bad data."

In the next chapter we turn from strategies and best practices to quantitative data on the characteristics of CEL children and families and the preliminary effects of CEL implementation on families and providers.



## **IV. PRELIMINARY CEL EFFECTS & CEL FAMILIES' CHARACTERISTICS**

In this chapter we analyze quantitative data from three sources that we have collected as part of this evaluation: (1) administrative data from counties' CELs; (2) data from a survey of households in CEL and non-CEL counties; and (3) data from a survey of providers. These sources are used to profile the characteristics of CELs and CEL families, and to describe families' experiences in applying for subsidized child care and providers' experiences in participating in CEL systems. We present results from these three data sources in the sections to follow.

### **RESULTS FROM ADMINISTRATIVE DATA**

Policy development around issues of subsidized child care has traditionally been hampered by the absence of reliable data about the number or characteristics of families that have applied for care. Because families often feel that they need to apply for care from multiple providers, the process of applying for care has not only been extremely time-consuming and inefficient for families, but has often left policymakers without a clear sense of how many families need care, what types of care they need, or with what level of urgency.

The implementation of a county-wide centralized eligibility list was designed to remedy these circumstances. With a single centralized list, families would no longer need to undertake the laborious process of applying for care separately from each of multiple providers and periodically updating or checking on their status with each of them. Moreover, by accessing the CEL, policymakers would have valuable information about the demand for subsidized care and the nature of families' needs.

To exploit this latter advantage fully, CDE adopted the recommendations of QCCI to ensure some uniformity in the way counties' CELs were maintained and the data elements to be captured among applicant families. Pursuant to this, each CEL county was to make quarterly electronic submissions to the state containing data for each individual child on the eligibility list, including:

- Characteristics of the child's family, including the family's zip code of residence, gross monthly income, size, and whether the family can be classified as a migrant worker or teen parent.
- Characteristics of the child, including the child's birth date, whether the child is enrolled in Head Start, and whether the child has special needs (e.g., is an infant, is served by Child Protective Services, or has other special needs).

- Characteristics of the service being requested, including the reasons the family needs service, the application date, whether full-time or part-time care is requested, and whether care is needed for evenings or weekends.

The state has forwarded these data submissions to us in order to support our evaluation effort.

### CEL Data Submitted to Date

As pilot counties converted to CEL systems, administrative data began to become available. Four counties—Glenn, Kern, San Mateo, and Ventura—were the first to make submissions in the third quarter of 2001 and they have submitted CEL data regularly since then. However, as previous chapters have described, the implementation of fully functioning CEL systems is a protracted process, so that three additional counties—Butte, Fresno, and Solano—were able to submit data at least for the quarter ending 2002 and, in some cases, a few additional quarters before that as well. The history of these seven counties' CEL submissions is displayed in Exhibit IV-1.

**Exhibit IV-1:  
Log of CEL Submissions**

	Quarter Covered by Submission					
	'01- Q3	'01- Q4	'02- Q1	'02- Q2	'02- Q3	'02- Q4
Butte					x	x
Fresno				x	x	x
Glenn	x	x	x	x	x	x
Kern	x	x	x	x	x	x
San Mateo	x	x	x	x	x	x
Solano						x
Ventura	x	x	x	x	x	x

Because December 2002 represents the quarter for which data are most recently available, as well as the period for which data are available for the most counties, we primarily rely on this submission in the tabulations to follow, except when reporting trends and changes over time.

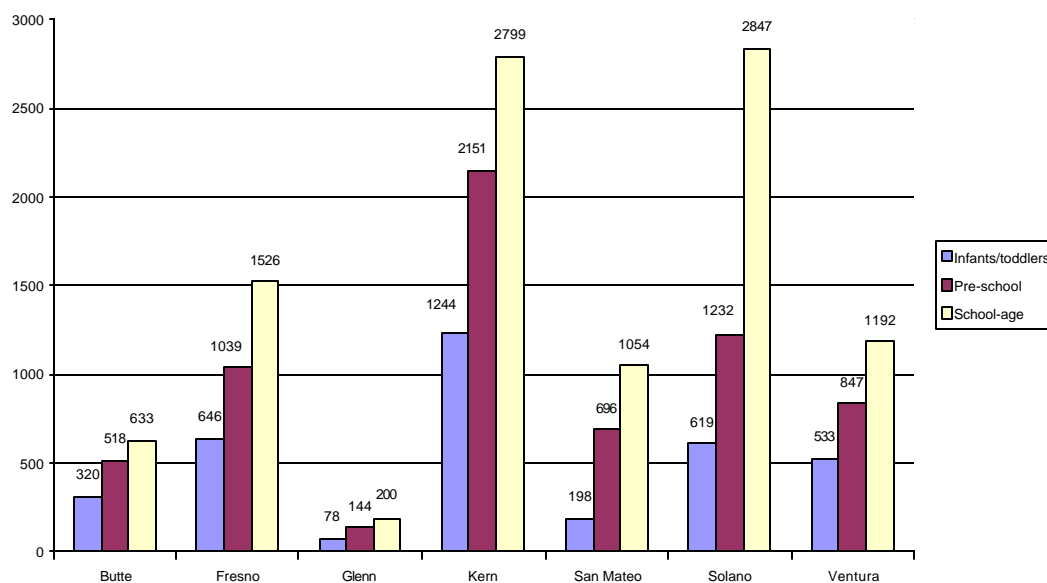
### Size of the CEL

One important use of CELs is to document the number of children waiting for care in each county. Exhibit IV-2 tabulates this information for the fourth quarter of 2002 and shows, for each county, the number of children waiting who are infants and toddlers, preschool children, and school-age children.<sup>1</sup>

Several facts stand out in looking at this figure. First, the sheer volume of children awaiting service is sobering, especially in some counties. For example, in Kern over 6,000 children were on the CEL as of the end of 2002 and in Solano just over 4,600 children were listed. In fact, as an expression of the sheer magnitude of the demand for services, over 20,000 children were waiting for care across these seven counties.

Second, the need for care for children of all ages is evident. Although school-age children are predominant in every county, substantial numbers of infants-toddlers and preschool children need care as well.

**Exhibit IV-2: Number of Children Waiting**



<sup>1</sup> Children waiting is operationalized as the number of children listed on the CEL as of the final quarter of 2002, excluding those with an exit date.

Third, county-to-county differences are substantial. These differences are likely attributable to a combination of three factors: variation across counties in the aggregate demand for subsidized child care services (e.g., as a function of the counties' varying sizes and compositions); variation across counties in the supply of child care slots (hence, giving rise to variation in the proportion of applicant children still waiting to be placed); and variation in the completeness of CELs as a reflection of the true demand for services. With respect to the third of these factors, we learned from our site visits that CEL implementation is a gradual process that slowly comes to encompass more providers rather than something that is implemented comprehensively at a single point in time. Additionally, counties vary in their diligence in purging records, or providing an exit date for applicant children no longer needing services (e.g., either because they were placed or for some other reason).<sup>2</sup> For these reasons, the size of the CEL can be viewed at least partly as a function of the comprehensiveness and accuracy of the CEL itself, rather than merely reflecting the unmet demand for services.

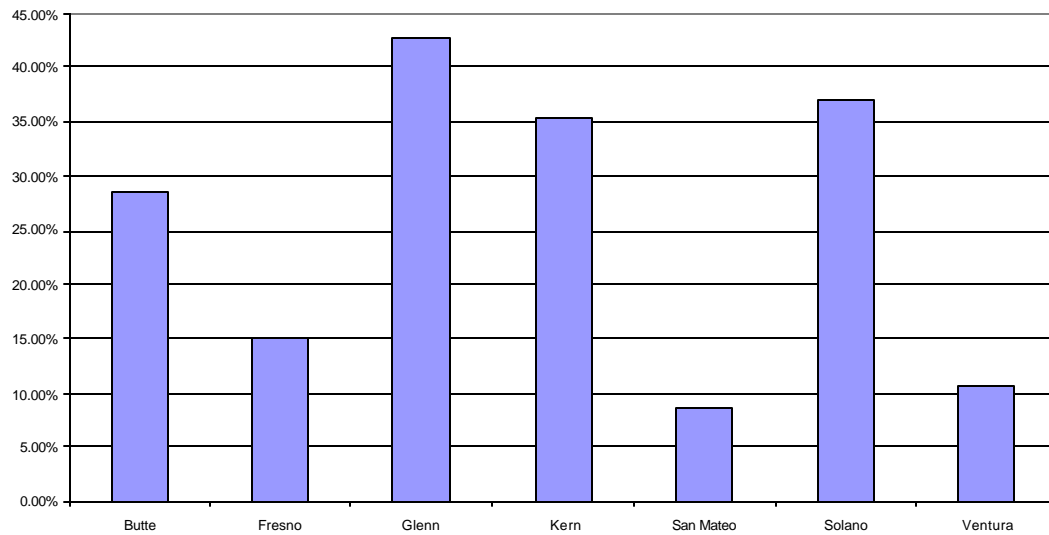
These limitations notwithstanding, Exhibit IV-3 attempts to put the county differences in perspective by expressing the number of children waiting as a proportion of the total number of licensed child care slots in the county. We caution that the number of licensed slots cannot be taken to represent all child care, as it excludes child care that is exempt from state licensing requirements (such as care provided by family members or neighbors). Moreover, the number of licensed slots will certainly exceed the number of available subsidized slots by a good measure. Nonetheless, the proportions provide a rough way of gauging how extreme the need for child care actually is.<sup>3</sup>

Exhibit IV-3 casts a much different interpretation of the acuteness of the need for child care across the various counties than does the absolute number of children waiting (that was displayed in Exhibit IV-2). For example, although the number of children waiting on Glenn's CEL is seemingly quite small at just 422 children, in fact this represents a substantial proportion (nearly 45%) of all the county's licensed child care slots. Other counties with high proportions include Kern and Solano (each at over 35%) and Butte (at about 29%). By contrast, San Mateo's 1,948 children who are waiting represent a relatively small proportion of licensed slots, at just 9%.

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<sup>2</sup> Exit date, and reason for exit, are optional CEL data fields.

<sup>3</sup> The denominator represents the total number of slots in licensed child care facilities, including family child care homes, as reported in *The California Child Care Portfolio, 2001* (California Child Care Resource & Referral Network, 2001).

**Exhibit IV-3: Children Waiting as a Percentage of Licensed Slots**

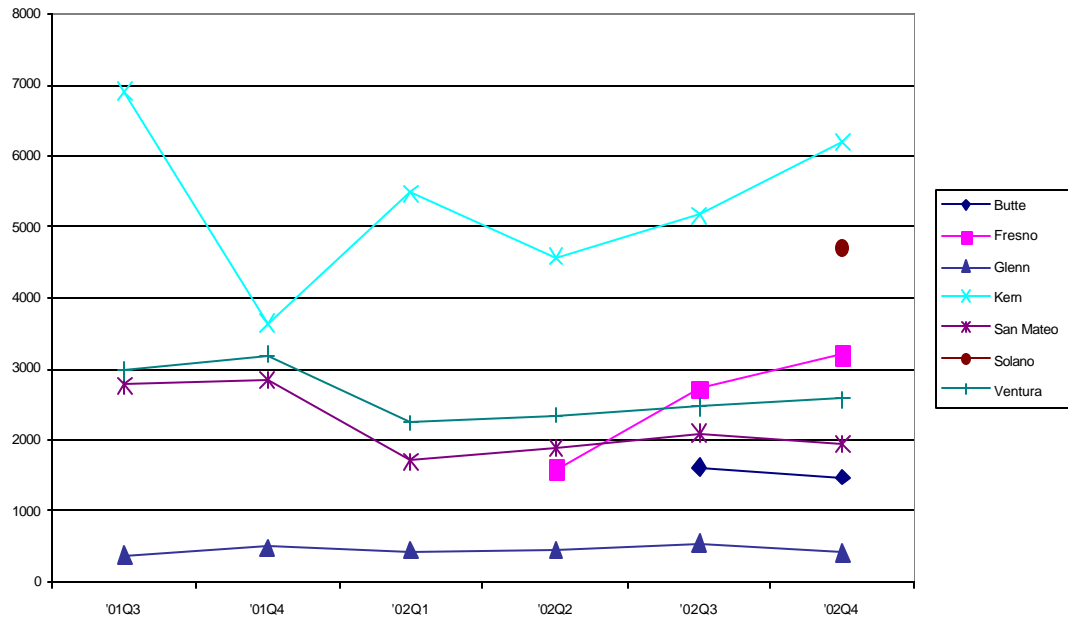
Also as a way of profiling the demand for services, we show in Exhibit IV-4 the number of children waiting for services in each of the various quarters for which we have data.<sup>4</sup> Three very different patterns emerge. First, two counties, Glenn and Butte, show comparative stasis over time, suggesting relative constancy in the demand for child care services as reflected by the CEL. Presumably, in these counties the numbers of children who exit the CEL are almost exactly counterbalanced by new children being added to the list, leading to only small changes over the period covered by this data collection. Second, one county, Fresno, shows a fairly steady and sharp upward trend over time, with about a 40% increase in the size of its waiting list over just the three quarters for which it submitted data. This upswing suggests either a sharp upsurge in the demand for services, or that the CEL itself was gradually coming to encompass more and more families as implementation proceeded over time. (That more counties do not display this pattern suggests either that most providers who elected to participate in the CEL did so at the outset, rather than gradually coming on board over time, or that after the CEL was implemented, relatively little data was added or removed.) Finally, the remaining counties show periods of stability interspersed with marked jumps either upward or, more commonly, downward at one or two points in time. For example, Kern shows a decline of over 3,000 children from the first to the second quarter, and San Mateo and Ventura also show one-time

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<sup>4</sup> Children waiting are defined to be those on the CEL in a given quarter without an exit date.

sharp declines. Very likely, these counties undertook efforts to update their lists during these quarters, and purged names of children found no longer to need services or who were no longer reachable at listed phone numbers or addresses.

**Exhibit IV-4: Children Waiting by County and Quarter**



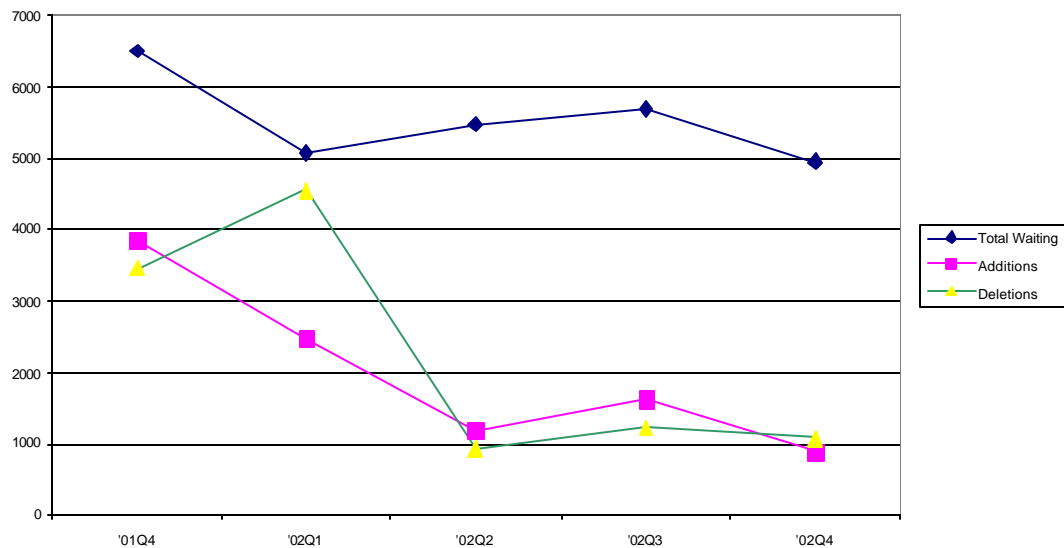
### Rates of Entrance and Exit

Exhibit IV-4, just discussed, highlights the dynamic nature of CELs by profiling the aggregate number of children listed as waiting for services over time. As was implied in our discussion, this number is in turn a function of new additions to the list, as well as deletions. New additions represent names of children added to the list as wanting services in one quarter who were not listed in the previous quarter, while deletions represent children who exited or were purged from the list who were previously listed as needing services. Exhibit IV-5 makes these patterns clear, using data for the three counties for which we have usable data over the full six quarters. For each quarter, the exhibit shows the total number of children waiting, the number of new names added to the list that quarter, and the number of names purged or with an exit date.<sup>5</sup>

<sup>5</sup> Of the four counties that submitted CEL data for all six quarters, Kern County could not be included in this analysis because its child identifiers often changed from one quarter to the next, making it infeasible to identify

Results suggest a fair amount of volatility from one quarter to the next, generally at the outset. Thus, the overall aggregate number of children waiting in these three counties shows a steep drop early on, presumably as these counties were cleaning up their lists, as is reflected in their large number of deletions. Thereafter, the number of children placed or who were otherwise purged is in approximate balance with the number of new names added. Specifically, approximately 1,000 to 1,500 names turned over each month over the last three quarters (or about 20%-25% of the number of children waiting at the end of each quarter).

Exhibit IV-5: Exits and Additions by Quarter



We caution that these figures should be viewed as approximations of actual flows, as a number of data problems in the CELs make these calculations imprecise.<sup>6</sup> Nonetheless, they do paint a picture of very dynamic CELs, and suggest a list that is continually evolving as

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additions or deletions. For the remaining three counties, total number waiting represents the number on the CEL without an exit date in that quarter's submission. Additions to the list represent names new to the list that quarter that were not on the list the previous quarter (regardless of whether or not they were listed with an exit date). Deletions represent those children listed as needing services in the previous quarter that were either purged or listed with an exit date the subsequent quarter. Additions and deletions will of course not equal the total number waiting because many children are waiting for services for multiple quarters (i.e., are neither added nor deleted in a given quarter).

<sup>6</sup> As we will note later in this chapter, there appear to be some duplicate names on the CELs as well as children that appear to be identical but with slightly different child identifiers in consecutive quarters.

many children are either placed or no longer need services from one quarter to the next, while many others are registered for services for the first time.

### **Characteristics of Children and Families**

Given its standardized data elements, an important advantage of CELs is their usefulness for profiling the characteristics of applicant families and their children, regardless of the county from which the record is drawn. Exhibit IV-6 takes advantage of this feature to present information about the children who are awaiting placement. Thus, we see that of the approximately 20,500 children waiting for placement as of the end of 2002, about one fifth were infants or toddlers, about one third were preschool children, and the remaining half were of school age.

The substantial number of infants and toddlers on the CEL suggests a considerable need for this type of specialized child care service. Beyond this, though, few other specialized needs emerge. Thus, very few children waiting for services are classified as having an exceptional need, a severe disability, are limited English proficient, or are from Child Protective Services. Almost none have a need for overnight care, though about eight percent are listed as needing evening or weekend care.



**Exhibit IV-6:  
Characteristics of CEL Children**

	<u>Number</u>	<u>Percent</u>
Total number of children waiting	20,526	100%
Age		
Infant/toddler	3,637	17.7%
Preschool	6,626	32.3
School age	10,250	50.0
Special Needs <sup>1</sup>		
Exceptional needs	267	1.3%
Child Protective Services	39	0.2
Severe disability	21	0.1
Limited English proficient	36	0.2
Schedule of Care Requested <sup>2</sup>		
Full-time	5,838	28.4%
Part-time	2,533	12.3
Evening	886	4.3
Weekend	756	3.7
Overnight	94	0.5
None specified	12,228	59.6
Have a Sibling in Care (regardless if through CEL) <sup>3</sup>	1666	13.0%

Note: Tabulations use data from the final quarter of 2002, after excluding those with an exit date.

<sup>1</sup> Percentages are calculated based on all children, whether or not a special needs code was indicated.

<sup>2</sup> Some children are listed as requesting more than one type of care; thus, the percentages summed across these types will exceed 100%.

<sup>3</sup> There is substantial missing data on this item; percentage is calculated based on those with non-missing data.

Because each CEL child record has a unique family identifier associated with it, we can also use the CEL to identify information about the families of children waiting for services. As Exhibit IV-7 shows, there are just over 11,000 unique families represented in the file. This figure is substantially fewer than the total number of children awaiting placement, thus suggesting that many families have requested a placement for more than one child. In fact, as the table shows, nearly half of all families have more than one child on the CEL, including those with two children on the CEL (about 31% of all families) or three or more children on the CEL (17%).

**Exhibit IV-7:  
Characteristics of CEL Families**

	<b>Number</b>	<b>Percent</b>
Total number of families	11,093	100%
No. of Applicant Children per Family		
Families w/ 1 child on the list	5,800	52.3%
Families w/ 2 children on the list	3,392	30.6
Families w/ 3 children on the list	1,345	12.1
Families w/ 4 or more children on list	556	5.0
Primary Reason for Needing Services <sup>1</sup>		
Protective services	30	0.4%
Incapacitated	74	0.9
Working	7,204	86.0
Education or training	1,345	16.1
Actively seeking employment	1,314	15.7
Seeking permanent housing	81	1.0
Unique Family Characteristics		
Is a teen parent	151	1.4%
Is a migrant worker	113	1.0
Is a student at a public postsecondary institution	678	6.1
Monthly Family Income		
Less than \$1,000	2,884	26.0%
\$1,000 to 1,499	3,000	27.1
\$1,500 to 1,999	2,520	22.7
\$2,000 to 2,499	1,585	14.3
\$2,500 to 3,000	808	7.3
\$3,000 or more	293	2.6

Note: Data are tabulated for CEL families with at least one child awaiting a placement (i.e., without an exit date), as of the final quarter of 2002. Butte was omitted from this tabulation because its data file was missing the family identifier, which makes it impossible to identify unique families.

<sup>1</sup> Percentages added across the reason categories will sum to more than 100% because approximately 14% of families listed more than one reason. An additional 24% of families listed no reason. Percentages are based on those families who gave at least one reason.

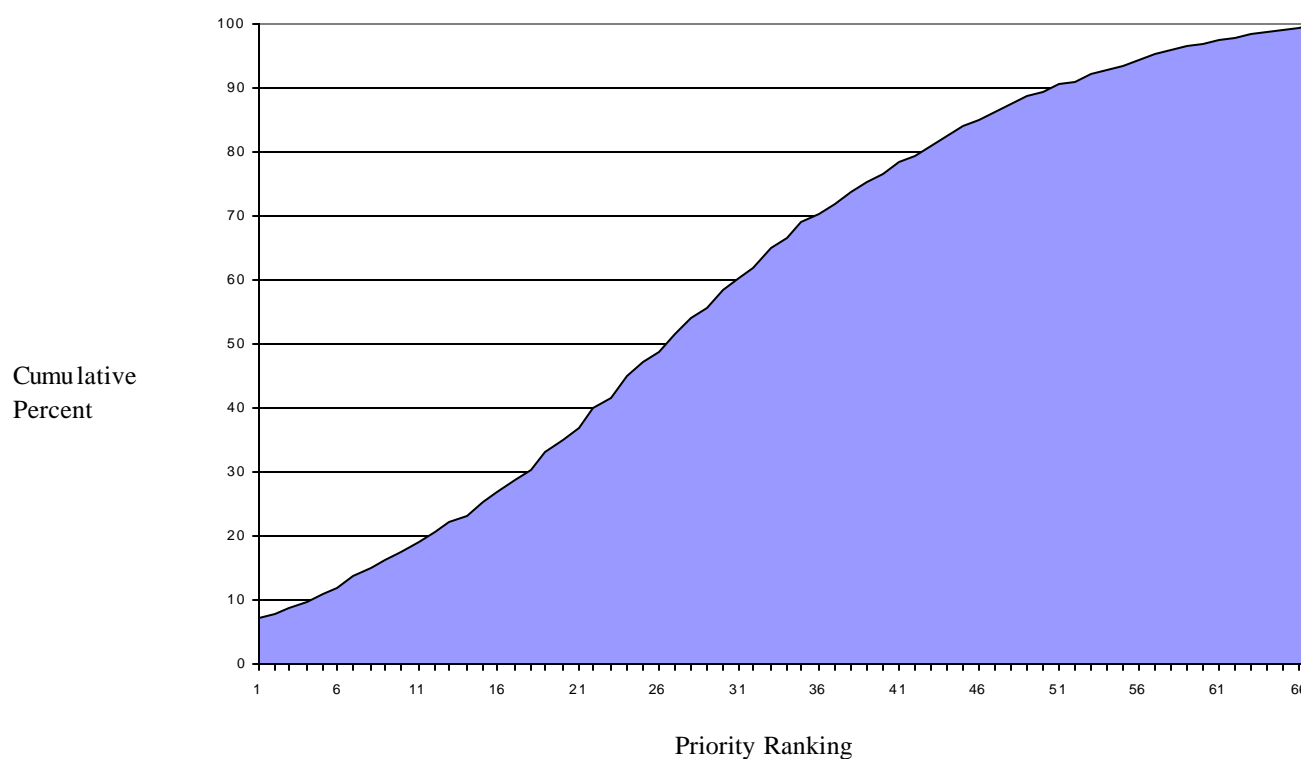
The CEL captures other characteristics of families that can help policy makers understand who is applying for services and why they are doing so. As Exhibit IV-7 shows, families overwhelmingly seek a placement for their child(ren) because they are working (86%).

Appreciable numbers of others do so because they are actively seeking work (16%) or are undertaking education or training (16%). Very small numbers give other reasons.

As shown in Exhibit IV-7, unique family characteristics captured by the CEL show an extremely low incidence of those who are teen parents, migrant workers, or students at California public postsecondary institutions. However, families' monthly income levels underscore their need for subsidized services. Thus, 26% reported a monthly gross income of less than \$1,000 for an annualized income of under \$12,000, and an additional 27% reported no more than \$1,500 per month (or less than \$18,000 per year). At the other extreme, about 10% reported an income of more than \$2,500 per month (or at least \$30,000 per year).

The extent of the need for services can be expressed more directly by using the priority ranking system developed by CDD. Children who are referred by Child Protective Services are served first. Thereafter, families with the lower gross monthly income in relation to family size are given higher priority. These priorities are displayed in an Admissions Priorities Chart, indicating for each family size, the maximum monthly income that a family can record to remain at a given priority rank. The table displays 66 rankings; the lower the rank, the higher the priority for services.

Figure IV-8: Cumulative Frequency of Priority Rankings for Families Waiting



Data drawn from CEL counties for the fourth quarter of 2002 were used to plot the cumulative frequency of families by their priority rank. This plot is displayed as Exhibit IV-8 and shows that nearly 10% of families with waiting children are at the highest priority ranking; in fact, a rank of one is the modal category, in that more families have this priority ranking than any other. The curve rises steadily from this point, but the slope is the steepest in the range of rankings of about 15 through 35, after which the curve begins to flatten out quite quickly. Because the steepness of the curve corresponds to priority rankings where the most families are concentrated, we can conclude that although many families have rankings of 10 or under, the bulk are concentrated in the low-middle range of the distribution.

The numbers from this graphical representation are reproduced and broken down by county in Exhibit IV-9. This table suggests that the pattern displayed in the previous figure for all counties as a whole is closely reproduced in each of the counties individually. Thus, appreciable numbers of families have a rank of one, but the bulge in most counties generally

**Exhibit IV-9:  
Waiting Families' Priority Rankings by County**

	<b>Total</b>	<b>Fresno</b>	<b>Glenn</b>	<b>Kern</b>	<b>San Mateo</b>	<b>Solano</b>	<b>Ventura</b>
Rank of 1	7.1%	5.2%	5.6%	4.8%	15.2%	6.4%	9.0%
Ranks 2 to 10	10.4	12.4	8.5	9.9	9.1	10.5	10.7
Ranks 11 to 20	17.5	22.2	15.9	18.9	17.0	11.6	17.9
Ranks 21 to 30	23.5	25.8	19.0	26.2	17.8	21.0	24.0
Ranks 31 to 40	18.1	16.3	21.1	18.6	13.9	22.6	15.7
Ranks 41 to 50	12.8	10.3	14.8	12.6	11.9	15.1	13.7
Ranks 51 to 60	7.6	6.5	6.3	6.7	9.3	9.6	6.6
Ranks of 61 or more (61 to 66)	3.0	1.3	8.8	2.4	5.9	3.4	2.4

Note: Priority rankings cannot be computed for Butte County because this county's CEL is missing a family identifier, making it impossible to identify unique families.

falls in the range of priority rankings from 21 to 30, with slightly fewer but still appreciable numbers of families on either side of this range. A notable exception seems to be San Mateo, which shows a much higher proportion of rank one families than other counties (15% of families in San Mateo vs. 7% in all counties as a whole).

### **Waiting Time and Priority Status**

The CEL was not designed specifically with the aim of tracking a child's status over time, nor have counties adopted consistent procedures for indicating which children get placed or leave the CEL for other reasons. Nonetheless, we can use the CEL's optional fields and other of its features to track waiting status and identify the characteristics of those who exit.

Exhibit IV-10 presents this analysis by showing the wait time for children on CELs as of the end of 2002, by priority status. Overall, relatively few children included on CELs during the final quarter of 2002 have been on the list for just a short period. In fact, waits of at least six months are quite common and a quarter of the children listed have been on the list for two years or more. However, as one would expect, wait times are substantially shorter for children of higher priority status. Thus, nearly 10% of those at the highest priority ranking (with a rank of one) have been waiting for less than one month and well over half have been waiting for six months or less. By contrast, wait time is clearly longer for the various remaining categories of priority ranking shown in the table. In fact, nearly one-third of those with a rank of 31 or more have been waiting for longer than two years.

<b>Exhibit IV-10: Wait Times by Priority Rankings, All Children</b>						
	<b>Priority Status Rank</b>					
	<b>Total</b>	<b>One</b>	<b>2-10</b>	<b>11-20</b>	<b>21-30</b>	<b>31 +</b>
Less than 1 month	3.4%	9.8%	5.8%	3.2%	2.7%	2.1%
1 to 3 months	13.0	29.1	15.5	11.7	11.7	10.8
3 to 6 months	15.3	14.7	19.2	17.2	14.3	14.0
6 to 12 months	27.4	28.0	28.5	30.6	26.1	26.3
12 to 18 months	8.4	5.4	7.2	8.8	9.1	8.7
18 to 24 months	9.2	4.6	7.5	10.1	10.7	9.1
Two years or more	23.4	8.3	16.3	18.2	25.4	29.0
Note: Tabulations are from CELs for the final quarter of 2002 and include those with an exit date. Wait time is calculated as the time elapsed from the date of application to either the date of exit or the end of the quarter.						

The tabulations in Exhibit IV-10 cannot reasonably be taken to represent the full extent of wait times, because of the substantial problem of right-censoring. In other words, because so many of the children listed on the CELs are still waiting for a placement, we would have no way of knowing the full extent of their wait time before being placed unless we could follow them out into the extended future. Looked at differently, many of those with low priority rankings (e.g., ranks of 31+) who are shown as having short waits in actuality have fairly recent dates of application and in all likelihood will wait substantially longer before being placed, if at all.

There is no completely satisfactory way of addressing this problem with the available data.<sup>7</sup> However, Exhibit IV-11 attempts to do so by showing the characteristics of those who are listed as exiting during the final quarter of 2002 in comparison to children still waiting. We note the important limitation, though, that the exit date is an optional field in the CEL; thus, some children may have exited but not be listed as such. Moreover, some counties purge records from the CEL when children exit. For both of these reasons, those with an exit date in the CEL should by no means be taken as representing an exhaustive count of all children no longer waiting for services.

This limitation notwithstanding, Exhibit IV-11 shows that about 1,057 children are listed as having an exit date, or just fewer than 5% of the total. As we would expect, those who exited have substantially shorter wait times than those still waiting. Thus, all those who exited have been waiting for less than three months, while nearly three-quarters of those still waiting have been waiting six months or more.<sup>8</sup> Similarly, those who have exited have much higher priority rankings than those still waiting. In fact, over one-third of those who exited have a rank of one, while almost none of those still waiting have this priority ranking. At the other extreme, over 40% of those still waiting to have a rank of 31 or higher, while the comparable figure among exiters is just 26%. Elsewhere, we see that infants and toddlers are less likely to have exited and school-age children are more likely to have exited.

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<sup>7</sup> One could, for example, go backwards in time and chart the subsequent status of children listed as needing services in, say, the third quarter of 2001. However, only four counties submitted data for that quarter and of those that did, we have already described problems with missing or inconsistent child identifiers that make tracking a given child's progress over time difficult.

<sup>8</sup> Among the limitations of the CEL for charting wait times, we have already noted that some counties purge records from CELs when children exit rather than retaining the record in the system indefinitely. Thus, these differences in wait times are largely an artifact of the purging process.

Finally, the table shows the reasons given for exit (another optional field on the CEL). Of those who exited, only about 20% received subsidized care, while all the remaining were found to no longer need care, presumably largely because their families made alternative arrangements.

**Exhibit IV-11:  
Characteristics of Exiters and Waiters**

	<b>Exiters</b>	<b>Waiters</b>
N of children	1,057	20,526
Time Waiting		
Less than 1 month	12.9%	2.9%*
1 to 3 months	87.1	9.2*
3 to 6 months	0.0	16.1*
6 to 12 months	0.0	28.8*
One year or more	0.0	43.0*
Priority Rank Score		
Rank of 1	35.6%	5.9%*
Ranks 2 to 10	8.7	10.9*
Ranks 11 to 20	13.8	18.1*
Ranks 21 to 30	15.9	23.6*
Ranks 31 or more	26.0	41.5*
Age of child		
Infant-toddler	13.9%	17.7%*
Preschool	32.3	32.3
School age	53.8	50.0*
Reason for Exiting		
Received subsidized care	19.2%	---
Care no longer needed	80.9	---
No longer eligible	0.0	---
Information is outdated	0.0	---

Note: Tabulations are drawn from the CELs for the final quarter of 2002.

Exiters are defined to be those with an exit date, while those still waiting are all others.

\* Indicates that the difference between waiters and exiters is statistically significant at the .05 level.

### Challenges to Address

It is promising that the CEL pilot counties have begun to submit data from their management information systems. However, for CELs to realize their full promise as an analysis tool, a number of key issues should be addressed:

- **Data submission format.** While the CEL database systems may be doing an admirable job in caseload management, inconsistencies in the way the electronic files are submitted make it difficult to use the data for evaluation across counties. For example, data were submitted to the state in various formats, including as Access databases or Excel spreadsheets, and the various fields were submitted in different orders by the various counties. These inconsistencies made merging the data from the separate counties into one master database exceedingly difficult.
- **Uniform terminology and consistent coding guidelines.** Although counties may have a good understanding of what the information in their own data systems means, the same term may have different meanings, or may be understood differently in each of the counties. This occurs because some key terms in the data dictionary are not provided a standard definition. For example, it is not clear that all counties mean the same thing when they label a child as having an exceptional need. Although this lack of standardization may give counties some welcomed flexibility, it also makes it difficult to interpret the data consistently on a cross-county basis.
- **Garbage data and missing data.** Counties have been working to conform their systems to the standard reporting guidelines issued by the state, but coding or keypunch errors remain and missing information is widespread. Thus, some of the counties do not report data on all of the required fields, or report data for only some applicant families. For example, many Y/N fields (e.g., for schedule requirements) and special needs codes are left blank for substantial numbers of records. In addition, we encountered a fairly high incidence of out-of-range values, such as birth dates that do not make sense (e.g., 04/01/2096 or 12/01/2688). Having CELs with software that has built-in error checking features would thus be helpful.
- **Missing identifiers or inconsistent use of identifiers.** Children or family identifiers were missing for a substantial number of children, making it difficult to identify unduplicated children or family records or to chart children's status on the CEL over time. In many other instances, the identifier for what was seemingly the same child changed in a very minor way, which also made matching CEL submissions from one quarter to the next impractical. Fortunately, however, these problems were concentrated in a few counties and appear to have lessened in incidence from one quarter to the next, as counties refine their data systems.
- **Duplicate names.** Ideally, the CEL should provide an unduplicated count of those children needing services. However, in actuality a number of records in the CEL (within the same county for the same quarter) are actual or probable duplicates (sometimes with different family identifiers or dates of



application).<sup>9</sup> Fortunately this problem does not appear to be widespread, with no more than a dozen or so duplicates in any single county's submission. However, additional screening to eliminate duplicates would further improve CELs' efficiency.

- **Pseudo-identifiers.** The child and family identifiers used by each county are unique within the county. Thus, it is not possible to examine whether the same families or children may be turning up on more than one county's CEL system. Moreover, using pseudo-identifiers doubtless makes it more difficult to locate and update existing CEL records.

## RESULTS FROM THE FAMILY SURVEY

As the preceding discussion makes clear, CEL data submitted by the pilot counties provides important information about both the numbers of children and families waiting for subsidized care and their characteristics. To support the evaluation effort, we supplemented these data with information we collected from two waves of a family survey. These surveys were used to gather information about families' experiences in applying for subsidized child care, and to see if the counties' CEL implementation affected the families' experiences in applying for subsidized child care. We describe the results from the family survey in this section, after first describing the survey administration procedures.

### Administration of the Family Survey

The survey instrument was drafted, shared with the CEL Advisory Group, finalized, and translated into Spanish in late spring/early summer 2001 (a copy of the instrument is provided as Appendix B to this report). We administered the survey by mail in two rounds, to just under 900 families in each round, corresponding to two separate intake periods defined by the date the families applied for subsidized child care. The first round consisted of families that applied between February 1 and April 30 of 2001, and the second round consisted of those that applied between August 1 and October 31, 2002.

In each round, 100 families were randomly selected for the mailing from each of the nine pilot counties. These families were selected in one of two ways, depending on the county. In those counties that had not yet implemented a CEL at the time the sample was drawn, we randomly selected five child care providers, and then randomly selected 100 applicant families who had applied for subsidized care from these providers during the sample intake period; the number of families per provider was selected proportionate to the provider's size. In counties that

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<sup>9</sup> Records are defined to be probable duplicates if the same child identifier appears more than once in the same county's submission for a given quarter.

had implemented a CEL at the time the sample was drawn, the 100 families were selected randomly from among those on the CEL with an application date within the sample's intake period. Regardless of how the sample was drawn, our decision to draw approximately an equal number of children per county implies that our results generalize more properly to the characteristics and attitudes of families in the *average pilot county*, rather than to the *average family* regardless of county.<sup>10</sup>

For each round, the mailings occurred approximately three to five months after the families' date of application for care. This timeframe was chosen because it was recent enough to the families' date of application so that they could be expected to recall details about how they applied for care, yet far enough removed that they could provide some perspective on their application experience.<sup>11</sup> Within each round, families were mailed a survey that included both English- and Spanish-language versions. All families were mailed a reminder postcard and several weeks later, a second copy of the survey was mailed to those who had not yet responded.

After these procedures, we received and were able to use 308 completed surveys from the first round, out of a total sample of 887, giving us a response rate of about 35%. We received and were able to use an additional 308 surveys in the second round, out of a total sample of 888 families, also yielding a response rate of 35%. In all, 353 responses were from families in counties that had implemented centralized lists at the time the sample was drawn, and 263 were from families in counties that had not. The numbers of completed returns we have from each county, and the county's percentage of all returns, are shown in Exhibit IV-12.

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<sup>10</sup> We decided to administer an equal number of surveys in each pilot county in order to facilitate inter-county comparisons. The alternative would have been to draw the sample proportional to the size of each county's waiting list, but in this case, the survey results would have been heavily skewed towards just a few of the largest counties in the sample. In some counties, slightly fewer than 100 families were mailed a survey either because the county had somewhat fewer than 100 families who had applied during the study's intake period or because a few duplicate names were uncovered and removed from the sample.

<sup>11</sup> Survey administration in round one was significantly delayed in two counties, Los Angeles and Fresno. These delays were due to significant challenges in securing providers' individual lists and addressing their privacy concerns.

<b>Exhibit IV-12: Survey Response by County</b>		
<b>County</b>	<b>Number of Reponses</b>	<b>Percentage of All Returned</b>
Butte	66	10.7%
Fresno	68	11.0
Glenn	59	9.6
Kern	77	12.5
Los Angeles	77	12.5
San Francisco	49	8.0
San Mateo	93	15.1
Solano	55	8.9
<u>Ventura</u>	<u>72</u>	<u>11.7</u>
<b>TOTAL</b>	<b>616</b>	<b>100.0%</b>

### **Characteristics of Survey Respondents**

The survey was not designed primarily to provide estimates of the characteristics of families that had applied for care, since CELs themselves are best used for this purpose. Nonetheless, basic information about family characteristics—including income level and family size—was elicited in the survey and is presented in Exhibit IV-13.

These results round out information presented earlier in this chapter from CEL data. Thus, we see that just over 40% of families include only one adult member in the household, while the remaining families contain two or more adults. About 42% of families report having one child in the family, and another 32% have two children. Very large family sizes, with four or more children, are relatively uncommon.

**Exhibit IV-13: Family Characteristics**

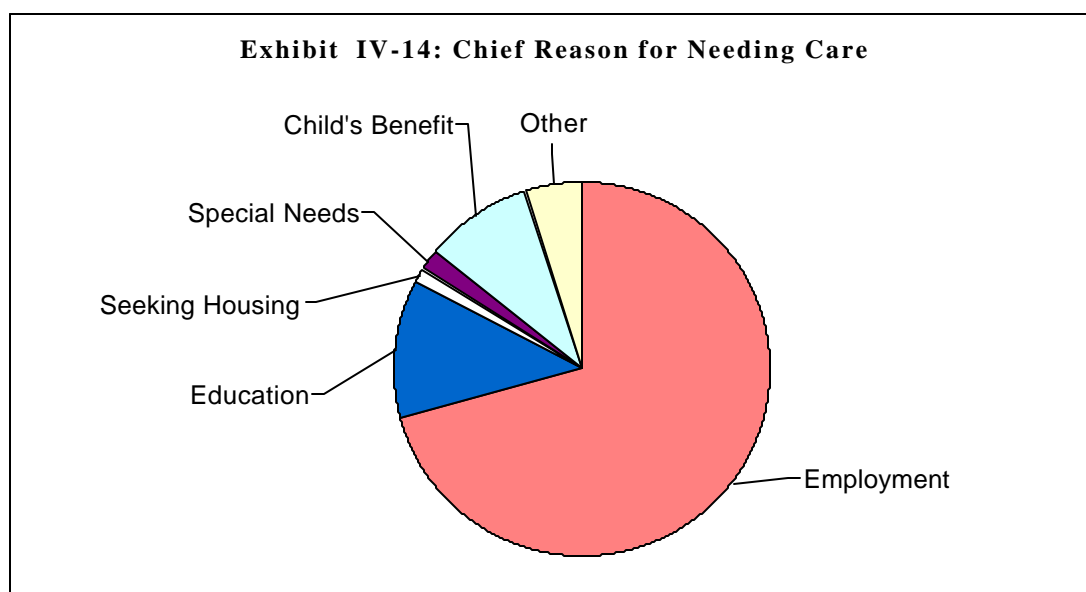
	<b>Count</b>	<b>Percent</b>
No. of adults in family		
1	265	43.6%
2	259	42.6
3 or more	84	13.8
No. of children in family		
1	260	42.2%
2	197	32.0
3	96	15.6
4 or more	63	10.2
Monthly family income		
Less than \$1,000	144	23.8%
\$1,001 to \$1,500	211	34.9
\$1,501 to \$2,000	124	20.5
\$2,001 to \$2,500	77	12.8
\$2,501 to \$3,250	33	5.5
More than \$3,250	15	2.5
Are you a CalWORKs participant?		
Yes	75	12.5%
No	525	87.5
Do you have an immediate need for care		
Yes	473	80.6%
No	114	19.4

Note: Small numbers of families had missing data on any given item and were deleted from the calculations.

About 58% of families report a total monthly income of \$1,500 or less (or less than \$18,000 per year), and, at the other extreme, about 8% report a monthly income of more than \$2,500. These income figures largely corroborate results we reported from CEL data, lending confidence to the generalizability of the survey results (comparable percentages from CEL data were 53% and 10%, respectively, as shown in Exhibit IV-7) and reinforcing the notion that those applying for care are quite clearly families of very limited income. Despite their low-income status, however, only about 12% report being a CalWORKs participant.

Their need for subsidized child care is reported to be pressing and immediate. Thus, overwhelmingly, families report that when they applied for care, they “...needed publicly funded child care immediately.” Moreover, the percentage of those that indicated that they needed child care immediately was identical in both rounds, and it was the same in both CEL and non-CEL counties. Overall, this finding would suggest that any differences in the experiences of families applying for subsidized child care in CEL and non-CEL counties are not influenced by the families’ level of need for services.

Finally, again corroborating results we reported from CEL data (see Exhibit IV-7), Exhibit IV-14 shows that employment, and especially full-time employment, was overwhelmingly given as the most important reason why families were seeking out publicly funded child care, with 70% of respondents citing either current employment or the need to find employment as the main reason for seeking subsidized care. Further, in the open-response section of the survey, respondents often remarked on how difficult it was to find and maintain employment without reliable child care.



Among other reasons for needing care, an additional 10% said they were pursuing education or training. Small numbers of others cited miscellaneous other reasons, including looking for housing, needing care for children with special needs, and believing that their children would benefit from child care.

### **The Application Process**

A major concern for CEL implementation is making sure that available child care slots are efficiently matched with families needing services. One important consideration in furthering this goal is ensuring that all eligible families are aware of the care to which they might be entitled and can easily apply. Exhibit IV-15 presents some survey results that speak to these issues.

As the table shows, respondents overwhelmingly indicated that they heard about publicly funded child care through a personal contact, such as a family member or friend, with nearly 68% of respondents citing this reason. However, substantial numbers of others heard about it through a child care provider where they wanted to enroll their child (28%) or through a social welfare or other public agency (31%). The media and community organizations, by contrast, appear to be little used as vehicles for disseminating information about the availability of care.

With respect to the methods of application, families overwhelmingly indicated that they applied for care through an R&R agency, with over 80% of respondents citing this method. However, in a clear indication that families apply in multiple ways, 42% applied directly to the child care provider where they were interested in receiving subsidized care (including 28% of those who applied to an R&R agency). Of those that applied directly to a provider, most applied to only one provider (67%), possibly because they were only interested in or aware of one provider, though about 16% applied to three or more providers. Finally, trivial numbers applied using the Internet, a method that might become more prominent as CELs mature.

**Exhibit IV-15: Information about Care and Methods of Application**

	<b>Count</b>	<b>Percent</b>
Where did you hear about applying for subsidized care? <sup>1</sup>		
From a family member or friend	390	67.5%
From a child care provider	164	28.4
From the newspaper, radio, or TV	29	5.0
From a church, library, school or other community organization	71	12.3
From social welfare department or other public agency	176	30.5
How did you put your name on the list(s)? <sup>1</sup>		
Applied directly to provider(s)	241	42.0%
Applied directly to R&R agency	461	80.3
Applied through a website	7	1.2
No. of child care providers applied to <sup>2</sup>		
Only 1 provider	155	67.4%
2 providers	39	17.0
3 or more providers	36	15.7
What information where you provided when you applied? <sup>1</sup>		
Whether I was eligible	309	55.9%
Reasons for eligibility	221	40.7
My changes of getting care	224	41.0
How long I might have to wait	201	36.7
The types of care available	232	42.0
How to update my info on the list	415	67.4

Note: Percentages were calculated after excluding missing values.

<sup>1</sup> Multiple mentions were allowed; thus, percentages across categories can exceed 100%.

<sup>2</sup> Restricted to those who indicated that they had applied directly to provider(s).

**Opinions and Attitudes about Applying for Care**

Finally, the survey gauged families' attitudes and opinions about a number of aspects of applying for child care. These results, which are tabulated in Exhibit IV-16, show that families are overall rather optimistic and positive about their application experience. Thus, most families think it is somewhat likely (45%) or very likely (32%) that they would receive care. Moreover, they generally strongly or at least somewhat agree with a series of statements that ask them to reflect on how favorably they feel they were treated. For example, they overwhelmingly feel that

they were treated with respect when they applied for care (90% agree). Not quite as many, but still substantial majorities, feel that they were given a good idea of their chances of getting care (66%), that the organization they contacted did their best to explain what care was available (64%), understood their need for care (62%), and could be trusted to help them get the care they need (61%). Although every public agency would of course like these numbers to be higher still, as it stands they suggest that R&R agencies and the providers to which families apply for care generally have a strong customer focus that customers recognize and appreciate.

**Exhibit IV-16: Attitudes about the Application Process**

	<u>Count</u>	<u>Percent</u>
How likely did you think it was that you would receive subsidized care?		
Unlikely	137	23.4%
Somewhat likely	263	45.0
Very likely	185	31.6
Strongly or somewhat agrees that:		
I was treated with respect	518	89.6%
I have a good idea of my chances of getting care	375	66.0
The organization I contacted did their best to explain what care was available	372	64.4
The organization I contacted understood when I needed care	357	61.7
I trust the organization I contacted to do what they can to help me get care	355	60.8
The organization I contacted helped me plan for my child care needs	185	31.9

Note: Percentages were calculated after excluding missing values.

At the same time, not reflected in the exhibits above are the opinions volunteered by respondents in the free response section of the survey that suggest additional ways that the application process could be improved or made clearer to applicant families. First, families do not seem to know that by applying, they are placed on an eligibility list rather than a waiting list. Respondents' comments often implied, if not stated, that they thought the eligibility list was a waiting list and that providers should "keep parents informed about the status of their name on the list" or that "they had waited a long time" and thought that their turn should be due. As counties move ahead with their CEL systems, they may want to put measures in place to address this misconception, especially because families appear to express the greatest frustration with waiting without knowing about the likelihood of their getting subsidized child care or knowing what other options might be available to them.



Other handwritten responses reveal a split between CalWORKs and other families, with the latter somewhat resentful of what they felt was the higher priority accorded to the former. Thus, some families suggested that procedures should “help working parents have some kind of priority on the list,” because “I don’t want to get on welfare just to become eligible.”

Finally, many applicants were aware that their lack of subsidized child care stemmed from a lack of public resources. Accordingly, respondents suggested that the state should “make more funding available so more families can benefit,” because “I could get a job if I had child care.”

### **Preliminary Effects of the CEL**

The above results are drawn from families in both CEL and non-CEL counties and from both waves of the survey. However, we can also use these data to test hypotheses about how families’ experiences and attitudes about applying for subsidized child care might change as CEL systems are introduced. Three types of effects can be hypothesized. First, the application process itself may differ when a CEL is introduced; second, families in CEL counties might develop more knowledge about how subsidized child care eligibility works; and third, families might express higher levels of satisfaction with the application process in CEL counties because they perceive the process to be more efficient and customer-friendly.

Exhibit IV-17 takes an initial step at testing these hypotheses by presenting mean responses separately for families who applied for care in CEL versus non-CEL counties. Note that, for purposes of this tabulation, a family is categorized as being drawn from a CEL or non-CEL county according to whether a CEL list was in place at the time the sample was drawn, and, accordingly, whether the family’s name was drawn from the CEL or from providers’ individual lists. By this definition, some counties are classified as operating a CEL at the time of both rounds of the survey, while others were so classified only for the second round but not the first, and, in one case, vice versa.<sup>12</sup> Of course, as earlier chapters of this report indicate, what it is likely to mean in *practice* for a family applying for care in a CEL county is likely to vary from one county to the next, and over time as the CEL matures, depending precisely on (for example) how the CEL operates, whether providers and families have direct access to the CEL, whether providers maintain their own separate lists, and so on. In addition, a family drawn from a CEL county may have applied through an individual provider under pre-CEL

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<sup>12</sup> Solano County was able to supply us with names drawn from the CEL for the first wave of the survey, but not for the second wave.

**Exhibit IV-17: Differences by CEL Status**

	<b>Non-CEL</b>	<b>CEL</b>
N of cases	263	353
Where did you hear about applying for subsidized care? <sup>1</sup>		
From a family member or friend	66.8%	68.0%
From a child care provider	32.0	25.8*
From the newspaper, radio, or TV	6.2	4.2
From a church, library, school or other community organization	14.9	10.4
From social welfare department or other public agency	25.7	33.8**
How did you put your name on the list? <sup>1</sup>		
Applied directly to provider(s)	56.1%	32.1%**
Applied directly to R&R agency	68.4	88.7**
Applied through a website	0.0	2.1**
When you applied, did you think info about your needs would be shared with other providers?		
Yes	30.8%	41.4%**
No	69.2	58.6**
How likely did you think it was that you would receive subsidized care?		
Unlikely	22.3%	24.3%
Somewhat likely	46.6	43.8
Very likely	31.2	32.0
Strongly or somewhat agrees that:		
I was treated with respect	89.1%	90.0%
I have a good idea of my chances of getting care	68.1	64.6
The organization I contacted did their best to explain care available	69.9	60.2**
The organization I contacted understood when I needed care	67.5	57.4**
I trust the organization I contacted to do what they can to help	64.2	58.3
The organization I contacted helped me plan for my child care needs	42.2	24.6**

Notes: Percentages were calculated after excluding missing values. All significance tests were calculated as if families were drawn using simple random selection; thus, significance levels are likely to be somewhat overstated.

<sup>1</sup> Multiple mentions were allowed; thus, percentages across categories can exceed 100%.

\*Indicates that the difference between non-CEL and CEL is statistically significant at the .10 level.

\*\*Indicates that the difference between non-CEL and CEL is statistically significant at the .05 level.

conditions, but was later added to the CEL as individual provider lists were merged. Thus, these results must be viewed as an agglomeration of all effects that occur in counties at various stages and states of CEL implementation.

This caveat notwithstanding, the results show some important and interesting differences. Thus, families in CEL counties are significantly more likely to have heard about the availability of subsidized care from a social service agency than are families from non-CEL counties (34% vs. 26%), and they are less likely to have heard about it directly from a provider (26% vs. 32%). Also as we might expect, CEL families are much more likely to have applied for care from an R&R agency than are families in non-CEL counties (89% vs. 68%) and they are less likely to have applied directly to providers (32% vs. 56%). Similarly, only families in CEL counties applied via a website, though the incidence of their doing so is admittedly still negligible (2% in CEL counties vs. 0% in non-CEL counties). CEL families also were much more likely to believe that information about their child care needs would be shared with a network of providers (41% vs. 31%). At the same time, CEL status apparently makes no difference in how likely families think it is that they will receive care.

Finally, results show that some of the indicators of customer satisfaction are actually lower-scoring for CEL families than for non-CEL families. For example, CEL families are less likely to feel that the organization to which they applied did their best to explain child care options (60% vs. 70%), understood when they needed care (57% vs. 68%), and helped them plan for their child care needs (25% vs. 42%). These results could suggest that as counties move towards CEL systems, families will begin to have different experiences when applying for child care. Thus, under non-CEL systems, families applying for child care services may be going directly to the provider with which they feel most comfortable, and that they feel best understands their needs. As counties convert to CEL systems, families may be missing the more personal knowledge and understanding that non-CEL counties may be able to administer. Potentially, then, the process of applying to an R&R agency or via the Internet, as is more likely to happen in CEL counties, leaves families feeling somewhat more removed from the provider(s) with whom they are seeking care and thus less certain that their needs are being properly understood. This finding suggests that R&R agencies may need to work to provide families with a level of comfort that they might not otherwise feel as CEL implementation proceeds.<sup>13</sup>

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<sup>13</sup> To test this hypothesis, we ran multivariate models with measures of family satisfaction as the dependent variables and CEL status and family characteristics (i.e., monthly income, number of children) as controls. The CEL

## **RESULTS FROM THE PROVIDER SURVEY**

As part of our study, we surveyed providers in counties that had implemented CEL systems. The goal of the survey was to capture information about providers' experience with CEL implementation in comparison to procedures in place previously. In keeping with this, the survey was intended to capture details about their recruitment and enrollment practices, including their use of and experiences with the CEL. Providers were also given an opportunity to express their opinions about the CEL and provide suggestions on how it might be improved. Additionally, to provide context, the survey was also designed to collect information about the characteristics of the providers, such as the number of children they served who received subsidized care and the type of child care they provided.<sup>14</sup>

Not all CEL pilot project counties were included in the provider survey. Only counties that had implemented CELs at the time of the survey were included; these counties were Butte, Fresno, Glenn, Kern, San Mateo, Solano, and Ventura. Pilot project leaders in each of these counties identified providers that had some experience using the CEL. In all, pilot project leaders identified 53 child care providers as participating in the CEL at least at a minimal level. SPR mailed these providers a survey in December 2002, and received 25 surveys back for a response rate of just over 50%.

We note that the extent of these providers' experience with the CEL varied greatly. In fact, some providers noted in their surveys that they "had limited experience with the CEL" or that "the CEL had not been fully implemented yet." By contrast, as we shall see, others used the CEL extensively.

### **Provider Characteristics and Use of the CEL**

Although only a limited number of providers met the criteria for the sampling frame, and fewer still returned a completed survey, survey responses catch a wide range of provider types, including center-based, state preschool, Head Start, campus-based, family child care homes, latchkey programs, and migrant services programs, and those serving primarily preschool and school-age children. As Exhibit IV-18 shows, providers for whom we have data also range from small (under 30 children) to large (with the largest serving well over 1,000 children), with subsidized slots making up a small portion to virtually all of their capacity. Most of the providers

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effects we described above, through a comparison of means, turn up here as well. However, adding an indicator of whether the family applied for care from an R&R agency typically reduces the CEL effect to non-significance.

<sup>14</sup> A copy of the provider survey can be found in Appendix C.

served families whose primary language was English (61%), although a significant number served families whose primary language was Spanish (39%).

**Exhibit IV-18:  
Provider Characteristics and  
Use of the CEL**

	<b>Percent</b>
Number of licensed child care slots	
Under 25	11.8%
25 to 100	23.5
100 to 200	41.2
More than 200	23.5
Proportion of slots that are subsidized	
Less than 25%	21.4%
25% to 50%	14.3
51% or more	64.3
Primary language of families served	
English	60.9%
Spanish	39.1
No. of times used the CEL in past year	
Not at all	24.0%
1 to 5 times	24.0
6 to 10 times	8.0
11 to 20 times	8.0
More than 20 times	36.0
Maintain own waiting lists	
Maintain own list for all applicant children	56.0%
Has own list, but only for siblings of enrolled children	4.0
Does not maintain own list	40.0
How vacancies are filled	
Use only own list to fill vacancies.	16.7%
Use only the CEL	41.7
Use both, but own more.	25.0
Use both, but CEL more.	16.7

Providers seemed to be split in the frequency with which they used the CEL. About one-quarter had not used the CEL even once in the past year (since January 2002) and another quarter had used it no more than five times. At the other extreme, about one-third had used it more than 20 times. Thus, approximately half of the providers in our survey had minimal experience with the CEL, while others had used it more regularly (i.e., between 6 and 20+ times).

As we discussed earlier in this report, even where the CEL has been implemented, many counties allow their providers to maintain separate lists and even recruit off those lists rather than the CEL. This policy is reflected in the survey results, which show that just over half of the providers we surveyed maintain their own list for all applicant children, while the remaining providers do not. Again showing a sharp split in providers' practices, about 42% use their own list to fill vacancies either predominantly or exclusively, while the remaining providers use the CEL either predominantly or exclusively. Considering that many of the providers surveyed are relatively new to the CEL system, and that at the time of the survey many providers were still in the process of transitioning to the CEL system, it would not be surprising to eventually see more providers using the CEL more frequently than their own lists as the CEL matures.

### **Experiences with the CEL**

CEL participants reported that the implementation of CEL either caused no change or reduced the drain on administrative resources. For example, as Exhibit IV-19 shows, at least one-third and as many as one-half of providers felt that the CEL decreased the amount of time they spend recruiting children (43%), maintaining their own list (57%), and filling vacancies (39%). Substantial proportions of others feel that the CEL decreases their marketing and advertising costs (18%) and the time they spend verifying eligibility (26%). Thus, for an appreciable percentage of respondents, the CEL is able to realize its promise of improving the efficiency of the matching process and easing administrative burden. Moreover, this comes at little increased probability of having providers serve more highly vulnerable (e.g., rank one or CPS) children.

**Exhibit IV-19: Experiences with the CEL**

As a result of the CEL:	<u>Decreased</u>	<u>No Change</u>	<u>Increased</u>
How has the amount of time you spend recruiting children changed?	43.4%	56.5%	0.0%
How have your advertising/marketing costs changed?	18.2	77.3	4.6
How has the amount of time you spend maintaining your own list changed?	56.5	43.5	0.0
How has the amount of time you spend verifying eligibility changed?	26.1	69.6	4.4
How has the amount of time needed to fill vacancies changed?	39.1	52.2	8.7
How has the number of priority rank 1 children that you serve changed?	4.4	73.9	21.7
How has the number of CPS children that you serve changed?	0.0	86.9	13.0

Note: In the tabulation above, respondents who gave a response of “not sure” have been combined with those who gave a response of “no change.”

As another way of getting at the extent to which the CEL might have given rise to efficiencies in recruiting children and filling vacancies, we asked providers to compare their experiences with how long it took them (in hours per week) to “administer the waiting list and contact parents to fill vacancies” and how long “child care slots typically remained vacant,” both before and after CEL implementation. According to these results, shown in Exhibit IV-20, there was a statistically significant difference in the amount of time staff spent administering the waiting list and contacting parents to fill vacancies before and after the implementation. There was also a statistically significant difference in the amount of time a slot remained vacant before and after the implementation of CEL.<sup>15</sup>

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<sup>15</sup> To test this hypothesis we ran a paired T test, and found significance at the .05 level

**Exhibit IV-20: Comparison of Time Spent Before and After CEL**

	<b>Mean</b>
Time administering the list	
Before	10.8*
After	7.5*
Time to fill vacancies	
Before	13.2*
After	9.6*

Note: Numbers represent average hours spent per week administering the list and average days a child care slot remains vacant. The questionnaire asked respondents to indicate hours/days within a range; for the purposes of calculating these averages, the midpoint of the range was used.

\*Indicates that the difference is significant at the .05 level.

Positive reactions to the CEL emerge in other ways as well. Thus, as Exhibit IV-21 shows, majorities agreed that the CEL captures the most critical child and family information (60%), is an efficient way to fill child care slots (50%), was a benefit to their program (71%), helped ensure that the neediest children were served (68%), and helps save program resources (56%). Moreover, few report any difficulty in learning to use the CEL.

**Exhibit IV-21: Opinions About the CEL**

Do you agree or disagree with the following:	<b>Agree</b>	<b>Not Sure</b>	<b>Disagree</b>
Learning to use the CEL is difficult.	17.4%	17.4%	65.2%
My staff received adequate training on how to use the CEL.	62.5	20.8	16.7
Using the CEL has placed a technological burden on our program.	4.0	24.0	72.0
The CEL captures most critical child and family information.	60.0	24.0	16.0
Using the CEL is a more efficient way to fill open child care slots than using my individual waiting list.	50.0	29.2	20.8
Using the CEL is a benefit to my program.	70.8	25.0	4.2
Using the CEL is helping to save program resources.	56.0	24.0	20.0
The CEL helps ensure that the neediest families access child care.	68.0	28.0	4.0



Overall, as reported in Exhibit IV-22, providers are very satisfied (50%) or somewhat satisfied (40%) with the CEL, with only 10% expressing dissatisfaction.

Although these data indicate that the CEL is somewhat of a boon for child care providers and can be of substantial benefit, the data are based on a very small group of provider-respondents. In addition, the CEL systems still appear to have some problems, which providers expressed in written comments on the survey form. Thus, some felt that “the software still needs more developing” and that it would “help to have the CEL agency qualify the family prior to enrollment.” Other agencies implied that they had attempted to use the CEL, but that due to different reasons, they were unsuccessful at making many, or any, placements, and others pointed out that they were geographically isolated, and as such, felt that they could not use the CEL effectively.

**Exhibit IV-22: Overall Satisfaction with CEL**

	<b>Percent</b>
Very Satisfied	50.0%
Somewhat Satisfied	40.0
Somewhat Dissatisfied	5.0
Very Dissatisfied	5.0

In the next, final chapter of this report, we turn to the *future* of CELs. Specifically we examine CEL costs and prospects for sustainability, as well as the factors critical to ensuring that CELs meet their originally envisioned potential.

## V. CEL COSTS AND IMPLICATIONS FOR THE FUTURE

In this final chapter of the report we discuss three critical aspects of the evaluation of the CEL pilot project: costs, sustainability, and implications for the future. Specifically, we will examine: how pilot counties expended their budgeted resources on different aspects of CEL implementation (e.g., vendor services and staffing); how pilot counties forecast prospects for CEL sustainability; and what implications emerge for the future of CEL implementation given the pilot project experience.

### CEL BUDGETS

As alluded to in Chapter II, CEL budgets and costs varied considerably across counties during the pilot period. Exhibit V-1 is a summary of each pilot county's budget.

**Exhibit V-1: CEL Budgets Across Pilot Counties**

	<b>Butte</b>	<b>Fresno</b>	<b>Glenn</b>	<b>Kern</b>	
<b>State</b>	\$77,056	\$203,547	\$83,411	\$252,936	
<b>Local income &amp; contributions</b>	\$0	\$50,632	\$31,620	\$206,810	
<b>Total</b>	\$77,056	\$254,179	\$115,031	\$459,746	
	<b>Los</b>	<b>San</b>			
	<b>Angeles</b>	<b>Francisco</b>	<b>San Mateo</b>	<b>Solano</b>	<b>Ventura</b>
<b>State</b>	\$249,000	\$192,629	\$111,359	\$31,345	\$121,441
<b>Local income &amp; contributions</b>	\$10,000	\$130,000	\$21,963	\$57,115	\$98,937
<b>Total</b>	\$259,000	\$322,629	\$133,322	\$88,460	\$220,378

Pilot counties' total CEL budgets ranged from a low of \$77,056 to a high of \$459,746. These budgets included not only state funds but also other reported income (e.g., LPC grants, in-kind contributions). In addition, four pilot counties' total budgets include significant income and/or in-kind contributions *not* reported on their original budgets. While all pilot counties contributed considerable in-kind resources that were not budgeted (e.g., staff time on nights and weekends), Kern, Ventura, and San Francisco Counties were able to quantify local income and/or in-kind contributions for critical CEL components. Specifically, Kern County had a \$191,810 grant from the local Prop 10 commission and estimated that it required \$15,000 of in-kind staff time to develop and implement its customized CEL system; these figures were incorporated into the county's budget above. Ventura County expended \$98,937 from R&R funds for hardware and

software for the CEL that was not reflected in the original budget, but is reflected in the Exhibit V-1. San Francisco County expended \$100,000 from local funds for its CEL database that was not reflected in its original budget, but is reflected in Exhibit V-1.

Although all but one of the pilot counties relied on state funding for the majority of their total budgets, four counties drew 80% or more of their total budget from state funds.

Three of the four most expensive CEL counties (in terms of total budget) had customized systems: Kern (\$459,746), San Francisco (\$322,629), and Fresno (\$254,179). Though it did not have a customized model, Los Angeles is also in the top four most expensive CEL counties because its vendor-related costs were even more expensive than those of counties with customized systems. This is likely due to the fact that Controltec's contract with Los Angeles was more labor-intensive in terms of customization and data migration because of the county's size.

Two of the three least expensive CEL counties had pre-packaged NoHo CARE systems: Butte and Solano. The total budgets of these two counties were \$77,056 and \$88,460, respectively. Though it had a different pre-packaged model (KinderWait), Glenn was also among the three least expensive CEL counties in part because its vendor-related costs were relatively low. For example, its monthly service fee to Controltec was dependent on the number of active children on the CEL—a relatively small number given the size of Glenn County. Glenn also likely enjoyed natural cost advantages due its rural nature (e.g., relatively low staff costs).

#### **COSTS OF VENDOR SERVICES, HARDWARE, AND NON-CEL SOFTWARE**

Exhibit V-2 is a summary of each pilot county's major costs in terms of vendor services, hardware, and non-CEL software.<sup>1</sup>

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<sup>1</sup> Non-CEL software means software not related to the CEL system itself (e.g., KinderWait software). For instance, some pilot counties spent limited funds on Microsoft software licenses.

**Exhibit V-2: Costs of Vendor Services, Hardware, and Non-CEL Software**

	<b>Butte</b>	<b>Fresno</b>	<b>Glenn</b>	<b>Kern</b>	
<b>Vendor services</b>	\$11,800	\$113,467	\$12,700	\$15,000	
<b>Hardware &amp; non-CEL software</b>	\$27,060	\$6,431	\$10,660	\$3,399	
<b>Total</b>	\$38,860	\$119,898	\$23,360	\$18,399	
	<b>Los Angeles</b>	<b>San Francisco</b>	<b>San Mateo</b>	<b>Solano</b>	<b>Ventura</b>
<b>Vendor services</b>	\$150,000	\$118,000	\$17,118	\$16,600	\$12,000
<b>Hardware &amp; non-CEL software</b>	\$30,000	\$21,000	\$1,065	\$8,509	\$98,937
<b>Total</b>	\$180,000	\$139,000	\$18,183	\$25,109	\$110,937

For vendor-related services, pilot counties spent between \$11,800 (Butte) and \$150,000 (Los Angeles). Three of the four counties with the lowest vendor expenses were low-density and relatively rural: Butte, Glenn, and Kern.<sup>2</sup> Each of these counties had a different CEL model—NoHo CARE, KinderWait, and customized, respectively—suggesting that geography plays a strong role in determining the cost of CEL software design and development. Although Kern County had a customized model and was the most expensive county in terms of total budget, its CEL system was one of the least expensive as it was custom-made by an internal staff member at Kern County Superintendent of Schools with in-kind time (estimated at \$15,000). Furthermore, Kern already had a pre-existing version of a CEL, so they were not “starting from scratch” with their customized model. The three counties with the highest vendor expenses were all high-or medium-density—Los Angeles, Fresno, and San Francisco—and either had a customized CEL or else required a significant degree of customization to a pre-packaged model.

For pre-packaged CELs, vendor-related expenses typically included the purchase of the software package, custom website design and hosting, technical support and training, and a monthly service charge based either on the number of active children on the CEL (KinderWait) or on the number of licensed users (NoHo CARE). Los Angeles has indicated that its monthly service charge would need to be negotiated since the number of

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<sup>2</sup> Ventura was the fourth member of this group. Its vendor costs were almost identical to Glenn’s.

active children in Los Angeles would make Controltec's monthly service charge prohibitive.

Pilot counties spent between \$1,065 and \$98,937 for hardware and non-CEL software, though half of the counties spent less than \$11,000 (the median amount spent was \$10,660, with an average of \$23,007). Hardware expenses far outweighed software expenses and generally went toward purchasing PC workstations, monitors, and Internet connectivity equipment, but also printers, laptops, scanners, and servers (to a much lesser extent). Only two pilot counties documented specific non-CEL software expenses, which went toward purchasing Microsoft server- and license-related products.

Ventura County spent the most of all counties on hardware and non-CEL software, with the largest single expense being for dial-in and Internet access equipment, which accounted for 60% of the \$98,937, and provider PCs accounting for another 20%. Los Angeles and Butte represented the counties with the next highest expenditures for hardware and non-CEL software, with each spending approximately \$30,000. Los Angeles spent these funds on upgraded computers and Internet connections for contractors, whereas Butte spent these funds on a server, new PC workstations, and Microsoft products and licenses.

Given that vendor services, hardware, and non-CEL software represent significant start-up costs, in Exhibit V-3 we combine these expenses and determine what proportion of counties' total budgets these expenditures comprised.

**Exhibit V-3: Vendor Services, Hardware & Non-CEL Software as a Proportion of Total Budget**

<b>Pilot County</b>	<b>Vendor Services, Hardware &amp; Non- CEL Software</b>	<b>Percentage of Total CEL Budget</b>
Butte	\$38,860	50%
Fresno	\$119,898	47%
Glenn	\$23,360	20%
Kern	\$18,399	4%
Los Angeles	\$180,000	69%
San Francisco	\$139,000	43%
San Mateo	\$18,183	14%
Solano	\$25,109	28%
Ventura	\$110,937	50%

The median percentage of the total CEL budget spent on vendor services, hardware, and non-CEL software was 43%.<sup>3</sup> As Exhibit V-3 shows, Kern and Los Angeles are at the extremes, with 4% and 69%, respectively. Kern's extremely low percentage is explained by three primary factors. First, Kern's pre-existing CEL meant that basic hardware and software infrastructure were already in place. Second, because Kern does not permit provider or family access to the CEL, the county did not need to invest in substantial end-user hardware. Third, Kern enjoyed some of the least expensive "vendor" services; specifically, the design and development of Kern's CEL was conducted in-house and in-kind. On the other end, Los Angeles spent the highest amount for vendor services and the second-highest amount for hardware and non-CEL software. Los Angeles County spent more than anticipated on Controltec services because they underestimated the amount of time needed to customize the KinderWait product for Los Angeles and conduct data migration. Los Angeles' hardware and software costs were also relatively high due to the need to upgrade hardware and Internet connections at several end-user contractor sites.

#### **STAFF COSTS**

Staff costs played a significant role in pilot counties' total expenditures. Exhibit V-4 shows how much each county spent on: (1) certified and classified salaries and benefits; and (2) service contract staff, *excluding* vendor staff. (We did not include the cost for vendor staff/services since we isolated these earlier, in Exhibit V-2).

The total staff costs presented in Exhibit V-4 doubtlessly under-represent the true staff costs of counties' CELs for two reasons. First, as discussed earlier, most, if not all, pilot counties underestimated the labor-intensiveness of CEL implementation and as a result, key staff members donated considerable in-kind time. Second, although some pilot counties clearly indicated what proportion of their local income was going toward staff costs, others did not. For instance, it is not clear what proportion of the \$191,810 Prop 10 contribution in Kern was used to specifically support staff costs.

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<sup>3</sup> The *mean* percentage was 36%.

**Exhibit V-4: CEL Staff Costs**

Pilot County	Salaries & Benefits	Service Contract Staff (non-vendor)	Total Staff Cost	Total Staff Cost as % of Total Budget
Butte	\$17,045	\$1,700	\$18,745	24%
Fresno	\$25,120	\$51,535	\$76,655	30%
Glenn	\$62,992		\$62,992	55%
Kern	\$194,280		\$194,280	42%
Los Angeles	\$50,000	\$25,000	\$75,000	29%
San Francisco	\$72,305	\$48,000	\$120,305	37%
San Mateo	\$34,329	\$54,209	\$88,538	66%
Solano	\$51,090		\$51,090	58%
Ventura	\$5,755	\$49,500	\$55,255	25%

As shown in Exhibit V-4, pilot counties spent between \$18,745 and \$194,280 on staff costs (excluding vendor staff and services). Staff costs were the largest in Kern, San Francisco, and San Mateo Counties, at least two of which had full-time CEL management positions (e.g., program supervisor, CEL data center administrator). Also contributing to high staff costs in these three counties are the relatively higher salaries in San Francisco and San Mateo Counties, and the fact that Kern County dedicated more key staff to their CEL than perhaps any other pilot county, including a child and family service facilitator (.30 FTE), a full-time program supervisor, and two full-time program support facilitators. As discussed earlier, Kern feels that its relatively high staff costs reflected its intensive, customer-service-oriented CEL model.

In three pilot counties—Glenn, San Mateo, and Solano—staff costs comprised the majority of total CEL budgets. Two of these three counties had full-time project or CEL management positions: Glenn County’s staff costs included salaries and benefits for a CEL program coordinator and clerical support staff, and San Mateo County’s staff costs included two key positions, including a program associate. The relatively high proportion of staff costs in Solano is best explained by that county’s relatively small total budget; this also helps to partially explain the relatively high proportion of staff costs in Glenn County. Finally, two of these three counties are in the San Francisco Bay Area, where the price for labor is relatively high.

By contrast, in the three counties with the *lowest* staff costs as a percentage of total budgets (Butte, Ventura, and Los Angeles), *full-time* staff costs were limited—e.g., in Ventura County, the only full-time staff person was a data entry operator. Part-time staff costs in these three counties were largely for clerical, support, and temporary staff. However, part-time staff costs in Butte County also included a project coordinator.

## **PROSPECTS FOR SUSTAINABILITY**

Two counties specifically stated that without continued state funding or significant alternative funding, their CELs would not be sustainable. Half of the pilot counties expressed confidence that they would somehow be able to sustain their CELs in some form, but nearly all pilot counties expressed a great deal of uncertainty about specific funding sources, particularly given the state's budget crisis and impending cuts in local child care programs. Several counties have cobbled together local funding sources (e.g., R&R funds) to sustain their CELs in the short-term but many feel that these arrangements are tenuous given that local programs will likely be facing budget cuts and layoffs in the new fiscal year.

Only one county, Fresno, has formally applied for funding from alternate sources to sustain its CEL. (Fresno applied to the local Prop 10 commission for \$300,000 to sustain the CEL for a year.) Other pilot counties generally feel that local funding sources have "dried up" and appear to be waiting for the outcome of the current state budget process and its effect on the availability of local administrative funds. One county indicated that although they might also apply for Prop 10 funds, it was unclear whether the CEL should be the focus of their application given impending cuts to other areas of child care.

Pilot counties were unanimous in saying that user fees were not a feasible funding source to sustain CELs, primarily because contractors are facing budget cuts themselves, but secondarily because many counties' CELs are not developed enough to justify implementing a user fee. Even without a budget crisis at hand, user fees are considered a significant deterrent to agency participation. Only one county, Kern, attempted to institute user fees at one time before realizing that these fees must be waived in order to encourage participation.

Two of the pilot counties felt that positive prospects for their CELs' sustainability hinged on the ability to incorporate CEL duties into permanent staff positions and structures. For example, Glenn County is relatively well-positioned to sustain its CEL, as it has redistributed the duties of the former CEL program coordinator among other, permanent staff. Ventura County indicated that its R&R had always planned to incorporate CEL duties into its permanent staff and administrative funding structure; as the county contact stated, the CEL was never thought of as a "special project," but rather as simply the way the R&R "does business."

Three pilot counties questioned their CEL model choices given funding uncertainties. For instance, one pilot county indicated that had they known ongoing state



funding would not be available, they might have chosen a customized model to avoid paying an ongoing vendor fee. Two other pilot counties indicated that they have had preliminary discussions about sustaining their CELs in alternate forms—i.e., forms that do not require ongoing vendor fees. These observations are especially interesting given the fact that although customized counties enjoy lower vendor/hosting costs, their *overall* costs were generally higher.

Overall, counties felt it was too early to describe the prognosis for CEL sustainability given funding uncertainties not just for CELs, but also for child care programs themselves. In the absence of continued state CEL funding and given child care programming cuts, pilot counties may have no choice but to abandon their CELs. As one county observed, child care agencies are currently in a “survival mode” where CELs cannot assume top priority. Until the new fiscal year, counties feel that the prospects for CEL sustainability will remain unclear. As one county contact described, their CEL is going into a “hibernation period.” She further elaborated by saying, “So many valuable projects have been at the mercy of funding cycles. But I don’t think the state will shelve this forever.” Despite widespread uncertainties, pilot counties remain convinced of and enthusiastic about the value and potential of CEL systems.

#### **LESSONS AND IMPLICATIONS FOR THE FUTURE**

Given the costs, implementation experiences, and preliminary effects of CELs thus far, the primary question becomes whether or not CELs should be sustained and expanded and, if so, how? Implicit in this broad-level query are three more specific questions: Which CEL technologies and methodologies should be employed? What *factors* will contribute to ongoing effectiveness, continuation, and statewide implementation of CEL systems? What are the potential costs?

Given the state’s current budget shortfall and impending cuts to child care programs, it is easy to question why CELs merit continued investment given that: (1) CELs have demonstrated relatively low participation and impact thus far; and (2) the opportunity cost is likely to be direct services. However, CELs represent a longer-term, systemic investment in ensuring that the neediest California families are served first and in the most efficient way possible—thus ultimately improving direct services, as well as planning agencies’ ability to make more informed decisions about direct service provision. During the pilot period, counties invested substantial resources in establishing key CEL infrastructures and processes. The pilot project investment has allowed us to glean valuable lessons and best practices that, in turn, can potentially save time and other

resources for California counties in various stages of CEL planning and implementation. Armed with this data, the state and counties can now take the necessary steps to ensure that CELs *in practice* produce the types of benefits that were originally envisioned.

### **CEL Technologies and Methodologies (CEL Model)**

Based on demonstrated benefits to families, providers, and local planning agencies, the CEL pilot period was intended to provide a sense of which CEL technologies and methodologies (i.e., CEL models) were most effective. However, as discussed in earlier chapters, during the pilot period counties spent an enormous amount of time and resources simply laying the groundwork for CEL implementation—e.g., conducting outreach to providers and resolving technical design issues. Demonstrated CEL impact is limited thus far, due to delays in CEL implementation, limited numbers of CEL participants, and widely ranging rates and terms of participation. For providers and families alike, the practical effects of CEL implementation may currently be negligible or non-existent. For example, providers without direct access to the CEL may still be calling the R&R for referrals, just as they did prior to the CEL. In addition, the number of families in a county truly affected by the CEL may be limited not only because of the small number of contractors participating in the CEL so far, but also because some participants may still be relying primarily on their own lists rather than the CEL. Given that CELs have not had sufficient time to demonstrate robust *effects*, we cannot possibly say which particular CEL model (e.g., the KinderWait or the NoHo CARE model) proved most *effective* during the pilot period. Only further CEL development and participation will reveal the full benefits and drawbacks of different pilot county models, particularly in relation to their costs.

Although we cannot recommend a particular CEL model, from the implementation experiences of CEL pilot counties it is clear that for the long-term, the state should strongly consider a single, custom-built CEL system to be implemented across all counties while maintaining some degree of local choice and flexibility. While we recognize that the state usually requires data elements rather than a specific software system, we recommend a single-system approach in the interest of cost, efficiency, and quality of data. First, it will clearly be less expensive for the state to contract with a single database consultant to design a single CEL system, than for each individual county to contract with a consultant or vendor of their choosing. This approach should also realize cost savings in terms of ongoing hosting, maintenance, and technical assistance costs,

regardless of whether the state chooses to incorporate all or some of these activities in-house.

Second, with a single CEL model in place, customizations, maintenance, and other key processes can occur more efficiently than would be possible with several different systems in place. For example, if new data fields or automated processes needed to be incorporated into the CEL, upgrades could easily be made and distributed to all counties.

Third, as the primary funding agent, the state has a vital interest in ensuring that its contractors' data are as standardized, complete, and accurate as possible. As we saw in a previous chapter, despite the formulation and distribution of a CEL Data Dictionary, the format and quality of CEL data submissions varied considerably. Pilot counties submitted data in different file formats, the same data fields were often submitted in different orders and/or using different field formats, and there were various other challenges such as pseudo-identifiers. Given these challenges and variations, it required considerable resources to consolidate the data in a meaningful way, and this was only for nine counties. Choosing a single CEL system would help ensure that data is collected and submitted in a standardized fashion and is thus more readily useable at the central (state) level. For example, a customized "state reporting" button could be programmed into the CEL software so that all counties could submit data in an identical file type and format. Finally, a single CEL system would help meet the original vision and objectives of CELs—to *centralize* data and improve data quality and accessibility.

Although a single CEL system would be desirable for the reasons listed above, a degree of local choice and decision making should be retained, primarily around issues of access and usage guidelines. For example, even if counties are using the same CEL software, they should still be able to make decisions about who has access to the CEL and under what conditions. Counties should also be able to choose to collect *additional* data on their CELs, tailored to local interests. The state could develop guidelines for which CEL components counties are free to customize. We also recommend that the state, or perhaps another interested party such as QCCI, organize a formal process for pilot counties (and other counties with experience implementing CELs) to provide concrete and detailed feedback on the essential and desired features of a single CEL model. This feedback could help to inform the RFP process as well as the actual CEL system itself.

Below we share some observations on the benefits and drawbacks of certain CEL technologies and methodologies, according to lead CEL agencies and limited numbers of providers.

- *Customized CELs experienced few or no technical difficulties and greater flexibility.* The difference between customized and pre-packaged counties with regard to CEL design and customization was clear. Although pre-packaged counties struggled with the layout, features, and stability of their CEL systems, as well as with the flexibility and responsiveness of vendors, customized counties experienced no such difficulties. One of customized counties' advantages was having a local partner and/or in-house staff as the CEL designer. For example, San Francisco County contracted with a local company to design the CEL database, but also had permanent in-house staff that could further customize and maintain the CEL. It is important to note that although lead agencies in customized counties have not experienced technical difficulties, direct provider access has not yet been fully tested and may present some technical challenges in the future.
- *Pre-packaged CELs were less expensive, but not finished products.* Although pre-packaged counties enjoyed cost savings with regard to purchasing a CEL system, pilot period experience suggests that these savings may not have been worth the technical difficulties experienced by some counties. By the end of the pilot period a number of counties still described their pre-packaged systems as a work in progress, not only in terms of layout and stability but also in terms of full querying and reporting capabilities. From the vendors' perspective, the pilot period was perhaps beneficial in terms of determining how to significantly improve their product should the implementation of CELs be mandated statewide.
- *Disallowing provider access may save time and promote equity.* There are certain advantages to CEL systems that do *not* permit provider access. First, providers do not have to spend time entering and updating data on the CEL. Second, it is easier to hold key staff members rather than several providers accountable to CEL guidelines and processes—e.g., with regard to properly selecting the most eligible families. Third, a limited access model does not require participants to invest in technological upgrades and/or infrastructure. However, it is also clear that a CEL model without provider access may be more feasible in rural counties with relatively fewer contractors and applicant families. Centralized access in Los Angeles, for example, may not be possible given the sheer number of applicant families and contractor requests.
- *Disallowing provider access may result in more obsolete data and less accountability.* Without provider access to the CEL, key staff must rely on providers taking the initiative to contact them about referral families who were not reachable at the listed phone number or who had a change

in contact information or eligibility status, or who had a change in service status (e.g., “enrolled” instead of “active”). In some pilot counties, the lack of an automated or formalized feedback loop meant that such families did not get updated on the CEL, which ended up wasting the time of some providers. CELs without direct provider access also lacked an added incentive for providers to add and update data (as opposed to just drawing data). By “recording” each provider transaction, CELs with direct provider access allow a degree of accountability in that administrators can determine which participants are drawing data without updating it, or drawing data without adding any.

- *Verifying income eligibility early on may save time later.* Most pilot counties verified income eligibility at the time of potential enrollment; however, at least two counties chose to front-load this process. For example, San Francisco verifies income eligibility up front for *all* applicants. Fresno does so only for those families who appear to have priority ranks one, two, or three (i.e., those most likely to get served). Although families’ status may still change between the time of eligibility verification and the time of enrollment, participating providers are more likely to get referral families who are truly the most eligible rather than families who misreport data in the hopes of securing care.
- *A family’s “pending” status may need to be shortened or eliminated in high-density counties.* In the interest of ensuring that the highest priority children are served first, many counties have set limits for how long a referral family may be “held” by any one provider for potential enrollment. However, even with relatively short pending periods, the highest priority families run the risk of missing out on other potential slots. This may be particularly true in counties with a relatively high number of subsidized child care contractors. In such cases, counties may need to consider allowing multiple contractors with open slots to contact the same family or to reduce the pending limit to one or two days.

### **Factors for Future CEL Success**

In looking to the future of CEL implementation we need to consider two related questions: what factors will ensure that CELs meet their original vision and potential, and what are the prospects for CEL sustainability and expansion to other counties.

The primary expected benefits of CELs are to: ease the process of applying for subsidized care for families; help ensure that the neediest families are served first; and provide accurate data on the demand for subsidized child care. From the pilot project experience we see that these original objectives cannot be met without specific terms and conditions attached to CEL participation. Such terms and conditions are perhaps more critical to the success of CELs than any other factor.

CEL participation terms must be stipulated so that a number of conditions are met:

- Parents have access to a maximum number of subsidized contractors by applying through one, centralized place;
- Subsidized contractors are required to participate in county CELs as a part of their FTC;<sup>4</sup>
- Contractor participation is defined as:
  - Not maintaining a separate list in addition to using the CEL (even if individual list data is also forwarded to the CEL);<sup>5</sup>
  - Forwarding all family applications to the CEL, including walk-ins;
  - Enrolling families only after confirmation that they are on the CEL and are ranked as the most eligible for services;
  - Relying on the CEL exclusively as the source of families to fill open slots;
  - Updating contacted families on the CEL with regard to changes in contact information, eligibility, or enrollment status;
- Contractors' interactions and transactions with the CEL are documented to ensure that CEL guidelines are being followed and that contractors are adding as well as retrieving data.

The conditions above are necessary not only for CELs to meet their full potential but also to help ensure that CELs do not *negatively* impact families and contractors. If most contractors participating in the CEL are also maintaining their own separate lists as their primary enrollment tool, then families who apply solely through the CEL may actually be worse off than if they had applied multiple times through multiple providers (i.e., as they would under pre-CEL conditions). In other words, it is not enough to secure contractor participation in the CEL—it must be exclusive participation in order for the CEL to truly benefit families and for the county as a whole to serve the highest priority families. Although the argument can be made that families would still be better off with the CEL even if only the largest or a majority of contractors were using the CEL

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<sup>4</sup> Current proposed changes to the legislation only state that contractors may satisfy their requirement to keep a waiting list by participating in a county CEL.

<sup>5</sup> Maintaining a separate list in addition to using the CEL at best creates duplication and at worst reduces the value of the CEL as a truly centralized list.

exclusively, in the interest of equity, it is hard to imagine a way to require only certain contractors to participate in the CEL while not making the same requirement of others.<sup>6</sup>

Though families are the main intended beneficiaries of CEL implementation, it is clear that the above conditions must be met in order for providers and local planning agencies to benefit as well. For example, participating contractors who fail to update family data upon contact (e.g., new phone numbers, altered priority ranking) will contribute to a situation where the CEL is not a valuable source of eligible families for providers. To the extent that agencies are contacting out-of-date or ineligible families, the CEL will not be saving time for providers as originally envisioned, and may actually be costing them *more* time than if they had relied on their own individual list. Finally, only by requiring all subsidized contractors to participate in the CEL can local and state planning agencies truly rely on CEL data as representative of families' need for child care.

In sum, CEL participation must be tied to changes in contractors' funding terms and conditions in order for CELs to be an effective tool for families, providers, and ultimately for state and local planning agencies. Without these policy changes, there will be little incentive for contractors to rely exclusively (or in some cases, at all) on the CEL.

### **Potential Costs**

Potential costs for sustaining and expanding CELs statewide naturally depend on the broad approach taken as well as its associated decision points. For example, if the state were to choose a single vendor for a statewide CEL system, the state may choose to host counties' CELs internally or may contract this service out and pay a monthly hosting fee to an outside party. Under the single vendor approach, there would not only be the costs of designing and maintaining the system, but also potential costs for breaking contracts with current vendors in some counties.

The state might also choose to continue to allow counties to select their own CEL vendors and software systems, in which case implementation costs are difficult to predict given that any number of counties may choose customized systems or varying pre-packaged options. As a microcosm of this approach we can of course look at the nine

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<sup>6</sup> Besides formally *requiring* contractors to participate in CELs, the state might also consider providing strong *incentives* for participation, such as a significantly reduced administrative burden in meeting FTC for those who choose to participate. However, it is unclear whether such incentives would be adequate for persuading a majority or all contractors to participate in CELs.

pilot counties themselves, not only in terms of start-up costs but also ongoing ones. Although we have discussed the major start-up costs incurred by pilot counties, analyzing ongoing costs presents a more significant challenge in that counties differ quite significantly in terms of what they incorporated into their cost estimates and to what extent they require ongoing financial support from outside sources. For example, when we asked pilot counties to provide estimates of the ongoing monthly cost to maintain their CELs,<sup>7</sup> one pilot county cited only the monthly fee to their vendor and the cost of one full-time CEL staff member, for a total of approximately \$2,700; this county indicated that they planned to absorb all future CEL costs locally and did not require state support to maintain the CEL. At the other extreme, another pilot county estimated that \$25,000 per month would be required to maintain their CEL and included such costs as postage and supplies; this county indicated that without this \$25,000 per month, their CEL would be “dead in the water.” To some extent, the differences between these two counties may point to different CEL philosophies—i.e., whether the CEL is perceived as “a project” or as “a new way of doing business.”

Given that counties vary widely in their CEL philosophies as well as in their budgeting procedures, it is difficult to determine the extent to which varying ongoing costs specifically reflect the varying expenses of different CEL models and the varying expenses of “doing business” in different pilot counties (e.g., labor costs in Glenn versus Los Angeles County). On a related note, it is of course debatable to what extent the state should be responsible for ongoing CEL costs and how state financial support should vary depending on the model chosen by an individual county (e.g., a “Ford” model versus a “Cadillac” model). With a standardized CEL model in place, varying amounts of state support could be more easily tied to “objective” indicators such as differing local costs.

Following are some of the *potential* costs of maintaining and expanding CELs and a discussion of how these might vary depending on whether a single- or multi-system approach is taken to CEL implementation.

#### **Potential Direct Costs, Fixed/Setup**

- Initial brainstorming meeting of pilot counties and others (to inform RFP process for single CEL system design);
- State RFP process for single CEL vendor;

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<sup>7</sup> Only four counties provided monthly estimates.



- CEL system design;
- Vendor contract-termination fees;<sup>8</sup>
- New and/or upgraded Internet connections and computer hardware;
- Data migration from pre-existing CEL systems and/or from lists of the initial group of participating providers;
- Materials/supplies to secure updated information from all families;
- Initial training for CEL administrators and key staff;
- Public awareness/advertising materials at CEL launch;
- Temporary CEL project coordinators and/or data entry staff (for data migration);

**Potential Direct Costs, Variable**

- Data migration from lists of additional provider-participants;
- CEL training sessions for additional provider-participants;
- Ongoing CEL hosting, maintenance, and technical assistance;
- CEL staffing/administration at county and state level;

**Potential Indirect Costs**

- Overhead (e.g., rent, utilities).

The primary cost differences between a single- and multi-system CEL approach are related to: (1) CEL system design, and (2) ongoing hosting, maintenance, and technical assistance.

The multi-system approach would require considerably more resources for CEL system design/purchase. As discussed earlier, pilot counties spent between \$11,800 to \$150,000 on vendor-related services. For the six pre-packaged counties, the average cost of vendor-related services was \$36,703, with the median cost being \$14,650—this amount often included software purchase, custom website design and hosting, technical support and training, and a monthly service charge. For the three customized counties, the average cost of vendor-related services was \$82,156, with the median cost being \$113,467 and—except for Kern (whose customized system was in-house)—covered consultation time (as well as training and hosting in Fresno’s case). Under a multi-system approach we can assume that counties would represent a range of pre-packaged and

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<sup>8</sup> These costs might be incurred by counties that already have contracts with vendors, should they be required to switch to a single CEL system.

customized choices. However, even if we were to assume that all counties selected pre-packaged systems (which are relatively less expensive than customized options), the cumulative cost of CEL system design/purchase would be higher than under a single-system approach whereby the state would contract with a single vendor for a customized CEL.

With regard to ongoing hosting, maintenance, and technical assistance, we can also assume that the single-system approach would realize cost savings. Pilot counties indicated that they would need to pay monthly vendor and/or hosting fees that range from \$0 to \$1,000 (excluding Los Angeles<sup>9</sup>). At the low end, Kern County does not have such a fee, as their CEL was custom-made and maintained internally. San Francisco will pay \$125 per month to host the CEL externally, but does not need to pay a monthly vendor fee as the CEL was custom-made by Stone Ground Solutions and is maintained by internal staff. At the higher end, San Mateo and Ventura, both KinderWait counties, will pay Controltec approximately \$1,000 and \$700, respectively, to host and maintain their CELs. Again, this monthly fee is calculated at a rate of fifty cents per active child, and it is unclear how much this fee might increase if more contractors' lists are added to the CEL.

The median vendor/hosting fee is \$313.50, with an average of \$434. All of the customized counties—Fresno, Kern, and San Francisco—have ongoing vendor/hosting fees that are less than the median. All KinderWait counties have ongoing vendor/hosting fees that are above the median (except for Los Angeles, which is unknown). The NoHo CARE counties are split with one above and one below the median vendor/hosting fee. The cumulative cost of vendor/hosting fees would clearly be higher under a multi-system approach than under a single-system approach, whereby the state could presumably negotiate a “bulk rate” for any outsourced labor related to hosting, maintenance, and technical assistance for CELs.

It is unclear how staffing costs might differ under a single-system approach versus a multi-system approach. Within the pilot county group there was a considerable range in terms of the number of staff and the amount of staff resources dedicated to CEL

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<sup>9</sup> The monthly vendor fee for Los Angeles is unknown at this time; as of early 2003, the county indicated that this still needed to be negotiated with Controltec since Los Angeles cannot afford to pay a fee based on the number of active children. The county did estimate that approximately \$30,000 per year would be needed simply to host and maintain the CEL on internal servers.

implementation. However, it is quite probable that the amount of staff time needed to clean, consolidate, and analyze CEL data across counties would be significantly less under a single-system approach.

Some of the potential costs will depend not on whether a single- or multi-system approach is adopted, but rather on local decisions and context. For example, hardware costs will likely depend on whether or not a county allows direct provider access and, if so, how many providers there are and the extent to which these end-users will require new computers and Internet connections.

Although a single-system approach would clearly realize cost savings in statewide CEL implementation, identifying specific funding sources remains a challenge. As discussed earlier, given the state's budget crisis and grim economy, identifying alternative funding sources is a difficult task. Foundations with child care grantmaking strategies may be potential funding sources for some key tasks and expenses, such as the initial brainstorming meeting and hardware, but it is clear that the state will need to play a major and ongoing role in CEL implementation and administration, with local funds and contributions covering expenses beyond those deemed appropriate for state-level funding.

Finally, although our recommendations are focused on long-term (statewide) implementation, it is also useful to consider the costs and benefits of continuing state support to current pilot county models. In other words, assuming that the state considers implementing a single CEL model, what would be the advantages of investing more funding into current pilot county models in the near-term? The most obvious benefit to immediate additional funding would be to allow more time for pilot counties to realize CEL impacts on families, providers, and planning agencies to provide more data on outcomes. These outcomes may, in turn, help strengthen the case for investing in *statewide* CEL implementation. Continued support for current models may also help determine whether a CEL participation requirement is truly necessary, or whether counties can successfully boost participation rates on their own. On the other hand, if the state is committed to realizing the CEL vision statewide, it may make more sense to immediately direct available funds to building a single CEL model. Providing additional funds to current pilot county models will also likely lead to counties becoming more invested in their own particular systems, which may pose challenges should the state eventually move toward a single CEL model.

## **FINAL THOUGHTS**

CELs represent a tremendous investment opportunity for families, providers, and local/state planning agencies. However, like any other tool, CELs must be crafted and utilized in a particular way in order to be effective. The CEL pilot project allowed us to learn about necessary aspects of this “particular way.” Perhaps the most critical lesson to emerge from the CEL pilot project was that without clear participation incentives and terms, CELs will not actually be centralized, and will only represent yet another duplicative and/or incomplete list of children in need of subsidized care. With proper participation terms in place, CELs can truly reduce barriers for families in need of subsidized care, ensure that an exceedingly scarce resource is allocated to those most in need, allow providers to dedicate more time to child care rather than administration, and improve state and local data and decision making.

## **Appendix A:**

# **CEL Technology and Access**



**Appendix A: Pilot Counties' CEL Technology and Access**

<b>Pilot County</b>	<b>Local Network Only</b>	<b>Internet-Accessible</b>	<b>System Design: Pre-packaged or Custom-made</b>	<b>Provider Access for Submitting, Entering, Updating, and Retrieving Data</b>	<b>Family Access for Submitting Data to CEL</b>
<b>Butte</b>		✓	Pre-packaged: David Grant, NoHo CARE.	Providers may enter and update family information on the CEL. Providers can directly access the CEL for referrals.	Families have no access to the CEL.
<b>Fresno</b>		✓	Custom-made: ISIS Department at California State University at Fresno.	Providers may enter and update family information on the CEL. Providers can directly access CEL for referrals.	Families can submit application over the Internet only through partnering agencies, such as subsidized providers and family child care home networks.
<b>Glenn</b>		✓	Pre-packaged: Controltec, KinderWait.	Providers may submit family applications over the Internet. Providers do not enter or update family data on the CEL. Providers do not directly access CEL for referrals.	Families may submit application over the Internet at home, or may do so at one of the community agencies that has agreed to help parents enter data.
<b>Kern</b>	✓		Custom-made: MIS Specialist at Kern County Superintendent of Schools.	Providers have no access to the CEL.	Families have no access to the CEL.
<b>Los Angeles</b>		✓	Pre-packaged: Controltec, KinderWait.	Providers will be able to enter and update family information on the CEL. Providers will directly access the CEL for referrals.	Families will have no access to the CEL.

<b>Pilot County</b>	<b>Local Network Only</b>	<b>Internet-Accessible</b>	<b>System Design: Pre-packaged or Custom-made</b>	<b>Provider Access for Submitting, Entering, Updating, and Retrieving Data</b>	<b>Family Access for Submitting Data to CEL</b>
<b>San Francisco</b>		✓	Custom-made: Stone Ground Solutions.	Providers may enter and update family information on the CEL. Providers can directly access the CEL for referrals.	Families have no access to the CEL.
<b>San Mateo</b>		✓	Pre-packaged: Controltec, KinderWait.	Providers will be able to enter and update family information on the CEL. Providers will directly access the CEL for referrals.	Families have no access to the CEL.
<b>Solano</b>		✓	Pre-packaged: David Grant, NoHo CARE.	Providers may enter and update family information on the CEL. Providers can directly access the CEL for referrals.	Families have no access to the CEL.
<b>Ventura</b>		✓	Pre-packaged: Controltec, KinderWait.	Providers do not enter or update family information on the CEL. Providers can directly access the CEL for referrals.	Families have no access to the CEL.



**Appendix B:**  
**Master Copy of the Family Survey**



**\*Se incluye la versión en español\***

DATE

Dear Parent:

We need your help. The State of California, Department of Education has asked us to study how services can be improved for families applying for financial assistance in paying for child care (**publicly funded child care**).

We have mailed surveys to 1,000 families, including yours, that we randomly selected to help us in this important study. All of these families applied for publicly funded child care **between August 1 and October 31, 2002**.

As part of this study, we would like you to complete the enclosed survey so that we can learn about your experience in applying for child care during this period. Won't you please take a few moments to complete this survey? Your completed survey is very important for our study and for helping the State of California improve families' access to child care.

Please be assured that the information you provide will be kept confidential and will be used only for research purposes. While your participation in the survey would be greatly appreciated, it is completely voluntary, and will not influence your chances of receiving child care.

We have included an English and Spanish version of the survey. Please use the version that is most comfortable for you.

Please return the survey in the postage-paid envelope we have provided. If you have any questions, please call Aaron Dalton at (510) 763-1499, extension 647.

Thank you very much for your help. We value your feedback.

Sincerely,

Social Policy Research Associates

1. Where did you first hear about applying for publicly funded child care?  
(Please circle yes or no for each row)

a.	From a friend, family member, or neighbor.	Yes	No
b.	From a child care provider where I wanted to enroll my child(ren).	Yes	No
c.	From the newspaper, radio, or television.	Yes	No
d.	From a church, library, school, or another community organization.	Yes	No
e.	From the social welfare department, child protective services, or another public agency.	Yes	No

2. How did you put your name on the list(s)? (Please circle yes or no for each row)

a.	I applied directly to the child care provider or providers that I was interested in placing my child(ren) with.	Yes ↓ How many providers did you apply to? _____	No
b.	I applied to <u>(insert name of county's R&amp;R/AP)</u> .	Yes	No
c.	I put my child(ren)'s name on the list by going to a website on the Internet.	Yes	No

3. When you put your name on the list(s), did you need publicly funded child care immediately? (Please circle only one number)

Yes ..... 1  
No ..... 2

4. When you put your name on the list(s), did you think that your name and information about your child care needs would be shared with other child care providers? (Please circle only one number)

Yes ..... 1  
No ..... 2

5. When you put your name on the list(s), how likely did you think it was that you would receive publicly funded child care? *(Please circle only one number)*

Unlikely ..... 1  
 Somewhat likely ..... 2  
 Very likely ..... 3

6. How do you think the list works? *(Please circle only one number)*

If I wait long enough, I will get publicly funded child care .....1  
 My income level determines how soon I get publicly funded child care .....2  
 My income level and the length of time I've waited determine how soon I get publicly funded child care .....3  
 Other things besides my income level and the length of time I've waited determine how soon I get publicly funded child care .....4  
 I don't know how the list works .....9

7. Please indicate if you received the information below, either in written or verbal form, when you got on the list(s). *(Please circle yes, no, or I don't remember for each row)*

a.	Whether or not my family is eligible for receiving publicly funded child care.	Yes	No	I don't remember
b.	The reasons why my family is eligible for getting publicly funded child care.	Yes	No	I don't remember
c.	My family's chances of getting publicly funded child care.	Yes	No	I don't remember
d.	How long my family might have to wait for publicly funded child care.	Yes	No	I don't remember
e.	The types of child care that are available (for example, pre-school, family day care).	Yes	No	I don't remember
f.	How to update my information on the list.	Yes	No	I don't remember

8. Please indicate how much you agree or disagree with the following statements:

*(Please circle one number for each row)*

	<u>Agree Strongly</u>	<u>Agree Somewhat</u>	<u>Disagree Somewhat</u>	<u>Disagree Strongly</u>
a. I have/had a good idea of my chances of getting publicly funded child care.	4	3	2	1
b. I was treated with respect when applying for child care.	4	3	2	1
c. The person or organization I contacted does/did their best to help me understand the types of child care that are available.	4	3	2	1
d. The person/organization I contacted understood when my family needed publicly funded child care.	4	3	2	1
e. The person/organization I contacted helped me plan for my family's child care needs over the coming years.	4	3	2	1
f. I trust the person or organization I contacted to do whatever they can to help my family get publicly funded child care.	4	3	2	1

9. How many adults (including yourself) are in your family and living in the same home?

*(Please circle only one number)*

One adult.....1  
 Two adults .....2  
 Three or more adults.....3

10. What is your family's current monthly income (from all sources)?

*(Please circle only one number)*

Less than \$1,000 per month .....1  
 \$1,001-\$1,500 per month .....2  
 \$1,501-\$2,000 per month .....3  
 \$2,001-\$2,500 per month .....4  
 \$2,501-\$3,250 per month .....5  
 More than \$3250 per month .....6

11. Are you a CalWORKS (public assistance) participant? *(Please circle only one number)*

Yes .....1  
 No .....2

12. What are the reasons your family needs child care? *(Please circle yes or no for each row)*

a.	Adult(s) working full time	Yes	No
b.	Adult(s) working part-time	Yes	No
c.	Adult(s) looking for work	Yes	No
d.	Adult(s) receiving education or training	Yes	No
e.	Adult(s) looking for housing	Yes	No
f.	Child(ren) have special needs	Yes	No
g.	Child(ren) will benefit from child care	Yes	No
h.	Other reason (please specify): _____		

13. Of the reasons you marked yes above, which is the most important reason your family needs child care? *(Please circle only one number)*

- Adult(s) working full-time ..... 1
- Adult(s) working part-time..... 2
- Adult(s) looking for work. .... 3
- Adult(s) receiving education or training. .... 4
- Adult(s) looking for housing. .... 5
- Child(ren) have special needs..... 6
- Child(ren) will benefit from child care ..... 7
- Other reason (listed above) ..... 8

14. Please answer the following questions about your children:

- a. How many children do you have that live with you and are between the ages of 0-4 years?  
\_\_\_\_\_
- b. How many children do you have that live with you and are between the ages of 5-12 years?  
\_\_\_\_\_
- c. How many children do you have that live with you and are between the ages of 13-18 years?  
\_\_\_\_\_

15. Do you have any suggestions for improving how parents can get publicly funded child care? *(Please write your suggestions below)*

**END.** Thank you very much for completing this survey. Your participation is very important in helping us to understand families' needs for publicly funded child care.

**Please return this completed survey in the postage-paid envelope to:**

**Social Policy Research Associates  
1330 Broadway, Suite 1426  
Oakland, CA 94612**



**Appendix C:**  
**Master Copy of the Provider Survey**



December 2002

Dear Child Care Provider:

We need your help. The State of California Department of Education, Child Development Division awarded us a contract to study how child care providers and families are impacted by the implementation of Centralized Eligibility Lists (CELs) in nine pilot counties: Butte, Fresno, Glenn, Kern, Los Angeles, San Francisco, San Mateo, Solano and Ventura Counties. As you know, a CEL is a single list of families eligible and waiting for child care, consolidated from multiple providers' lists.

As part of our study, we are surveying providers in counties that have implemented CELs. CEL leaders in your county identified you as an organization that has had some experience using the CEL. Regardless of whether or not you are still using the CEL, we feel that your experience and opinions can help us with this important study.

We would appreciate it if you would complete the enclosed survey so that we can learn about your experience using the CEL and how it compares to your pre-CEL experience. If you are no longer using the CEL for whatever reason, please speak to your past experience using the CEL. Your completed survey is very important for our study and for helping the State of California understand the impact of CELs on providers' operations and families' access to child care.

Please be assured that the information you provide will be kept confidential and will be used only for research purposes. If there is a more appropriate staff person at your organization to fill out this survey, kindly pass it on.

Please return the survey in the postage-paid envelope we have provided. We would greatly appreciate a speedy response. If you have any questions, please call Jennifer Henderson at (510) 763-1499, extension 642.

Thank you very much for your cooperation. We value your time and feedback.

Sincerely,

Social Policy Research Associates

1. Do you operate any of the following types of child care programs?  
*(For each row, please circle 1 for yes or 2 for no. If yes, please answer other questions)*

	<u>Yes</u>	<u>No</u>	Years of operation?	Total number of admin & child care staff onsite?
a. Center based.	1	2		
b. State preschool, part-day.	1	2		
c. State preschool, full-day.	1	2		
d. Head Start.	1	2		
e. Campus based.	1	2		
f. Family child care home.	1	2		
g. Latchkey.	1	2		
h. Migrant.	1	2		

**\*\*If you do not operate any of the programs above, please skip to question #4\*\***

2. What is your total licensed child care capacity (number of slots)? \_\_\_\_\_
3. How many *subsidized* child care slots do you have? \_\_\_\_\_

4. Do you operate any of the following types of child care programs?  
*(For each row, please circle 1 for yes, or 2 for no. If yes, please answer other question)*

	<u>Yes</u>	<u>No</u>	Approximate number of subsidized children you serve?
a. Alternative Payment (AP) provider.	1	2	
b. CalWORKs AP.	1	2	
c. Resource & Referral (R&R).	1	2	

5. What is the most common age range of the children you serve? *(Please circle only one number)*

Infant/toddler .....1  
 Preschool.....2  
 Primary grades (1-5).....3  
 Middle grades (6-8) .....4

6. Of the families you serve, what is the most common primary language spoken? *(Please circle only one number)*

English..... 1  
Spanish..... 2  
Chinese ..... 3  
Vietnamese ..... 4  
Tagalog..... 5  
Other ..... 6  
Please specify\_\_\_\_\_

7. Please choose which statement best reflects your practices. *(Please circle only one number)*

I currently do not maintain my own waiting list..... 1  
I currently maintain my own waiting list, but only for  
siblings of enrolled children ..... 2  
I currently maintain my own waiting list for all applicant  
children ..... 3

8. Please choose which statement best reflects your practices. *(Please circle only one number)*

I currently use *only* the CEL to fill vacancies..... 1  
I currently use *only* my own waiting list to fill vacancies ..... 2  
I currently use both the CEL and my own list to fill  
vacancies, but rely more on the CEL..... 3  
I currently use both the CEL and my own list to fill  
vacancies, but rely more on my own list ..... 4

9. Approximately how many times have you used the CEL since January 2002? *(Please circle only one number)*

Zero times ..... 1  
1-5 times ..... 2  
6-10 times ..... 3  
11-20 times ..... 4  
More than 20 times ..... 5

10. **Before** you began using the CEL, about how many hours per week did your staff spend administering the waiting list and contacting parents to fill vacancies? *(Please circle only one number)*

- Less than 5 hours per week..... 1
- 5-10 hours per week.....2
- 11-16 hours per week.....3
- 17-20 hours per week.....4
- More than 20 hours per week .....5

11. **After** you began using the CEL, approximately how many hours per week did your staff spend administering the waiting list and contacting parents to fill vacancies? *(Please circle only one number)*

- Less than 5 hours per week..... 1
- 5-10 hours per week.....2
- 11-16 hours per week.....3
- 17-20 hours per week.....4
- More than 20 hours per week .....5

12. **Before** you began using the CEL, how long did a child care slot typically remain vacant? *(Please circle only one number)*

- One day or less..... 1
- 2-7 days .....2
- 8-14 days .....3
- 15-30 days .....4
- More than 30 days .....5

13. **After** you began using the CEL, how long did a child care slot typically remain vacant? *(Please circle only one number)*

- One day or less..... 1
- 2-7 days .....2
- 8-14 days .....3
- 15-30 days .....4
- More than 30 days .....5

14. Please indicate how using the CEL has affected your program practices. (*Please circle one number for each row*)

	<u>Increased a lot</u>	<u>Increased somewhat</u>	<u>Didn't change</u>	<u>Decreased somewhat</u>	<u>Decreased a lot</u>	<u>Not sure</u>
a. How has the amount of time you spend recruiting children changed as a result of using the CEL?	5	4	3	2	1	9
b. How have your advertising and/or marketing costs changed as a result of using the CEL?	5	4	3	2	1	9
c. How has the amount of time you spend maintaining your own waiting list changed as a result of using the CEL?	5	4	3	2	1	9
d. How has the amount of time you spend verifying eligibility changed as a result of using the CEL?	5	4	3	2	1	9
e. How has the amount of time needed to fill vacancies changed as a result of using the CEL?	5	4	3	2	1	9
f. How has the number of priority rank 1 children that you serve changed as a result of using the CEL?	5	4	3	2	1	9
g. How has the number of Child Protective Services (CPS) children that you serve changed as a result of using the CEL?	5	4	3	2	1	9

15. Please indicate how much you agree or disagree with the following statements. (*Please circle one number for each row*)

	<u><b>Strongly Agree</b></u>	<u><b>Somewhat Agree</b></u>	<u><b>Somewhat Disagree</b></u>	<u><b>Strongly Disagree</b></u>	<u><b>Not Sure</b></u>
a. Learning to use the CEL is difficult.	4	3	2	1	9
b. My staff received adequate training on how to use the CEL.	4	3	2	1	9
c. Using the CEL has placed a technological burden on our program.	4	3	2	1	9
d. The CEL captures most critical child and family information.	4	3	2	1	9
e. Using the CEL is a more efficient way to fill open child care slots than using my individual waiting list.	4	3	2	1	9
f. Using the CEL is a benefit to my program.	4	3	2	1	9
g. Using the CEL is helping to save program resources.	4	3	2	1	9
h. The CEL helps ensure that the neediest families access child care.	4	3	2	1	9

16. Overall, how satisfied are you with the CEL? (*Please circle only one number*)

Very satisfied .....1  
 Somewhat satisfied .....2  
 Somewhat dissatisfied .....3  
 Very dissatisfied .....4



17.If you are dissatisfied with the CEL, or are not using it, please explain why. *(Please write comments below)*

18.Do you have any suggestions for improving the CEL in your county or for encouraging greater use by child care agencies? *(Please write your suggestions below)*

**END.** Thank you very much for completing this survey. Your participation is very important in helping us to understand families' needs for publicly funded child care.

**Please return this completed survey in the postage-paid envelope to:**  
**Social Policy Research Associates**  
**1330 Broadway, Suite 1426**  
**Oakland, CA 94612**